

**FIJI FINANCIAL INTELLIGENCE UNIT  
2013 ANNUAL REPORT**



**Fiji FIU**  
Fiji Financial Intelligence Unit





**Fiji FIU**  
Fiji Financial Intelligence Unit



## ● OUR VISION

Protecting Fiji from Money Laundering

## ● OUR MISSION

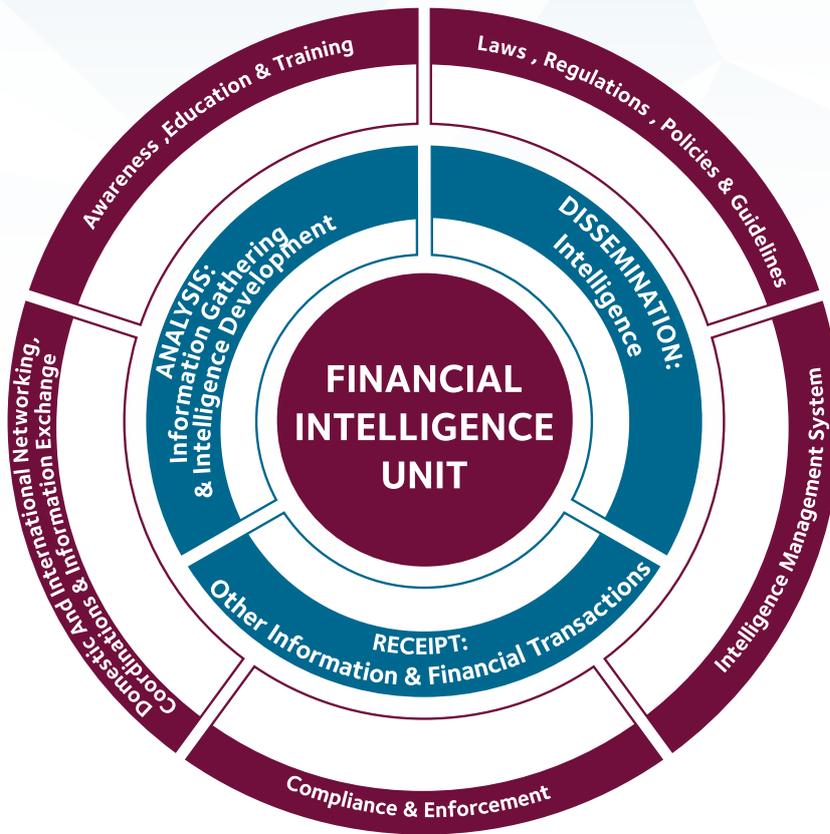
1. Formulate and implement strategies to combat money laundering, terrorist financing and other serious crimes to ensure the safety and integrity of Fiji's financial system.
2. Ensure compliance with global standards on anti-money laundering and combating the financing of terrorism.
3. Assist in the detection, investigation and prosecution of money laundering and terrorist financing offences.
4. Provide timely and quality information and advice to our stakeholders.
5. Develop and utilise skilled staff.

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# Role of The Financial Intelligence Unit



The Financial Intelligence Unit (FIU) is established under the Financial Transactions Reporting (FTR) Act 22 of 2004. The role and functions of the FIU are provided under the FTR Act. The FIU is one of the leading agencies in Fiji that is primarily responsible for preventing and detecting money laundering and terrorist financing activities.

The FIU is also Fiji's anti-money laundering (AML) and combating the financing of terrorism (CFT) regulator and the lead agency on AML/CFT policy formulation and enforcement in Fiji.

The FTR Act and Regulations specifies a range of measures that financial institutions in Fiji must implement in order to prevent the use of Fiji's financial system from money laundering activities and other serious offences.

The vision of the FIU is to protect Fiji from money laundering. It achieves this vision through the following key functions:

- i. receive financial transactions and other information from financial institutions;
- ii. gather additional information from financial institutions, government and other stakeholder agencies;
- iii. analyse information;
- iv. develop intelligence;
- v. refer intelligence and information of possible money laundering activities or other serious offences to appropriate law enforcement and regulatory agencies;

- vi. assist domestic and foreign law enforcement agencies in their investigation and prosecution of money laundering and other serious criminal activities;
- vii. develop AML/CFT policies, guidelines and advisories under the FTR Act;
- viii. enforce compliance by financial institutions with the requirements of the FTR Act;
- ix. provide education and training to its stakeholders;
- x. lead and facilitate national coordination;
- xi. maintain networking and information sharing with domestic and foreign partner stakeholders and agencies.

The FIU also plays an important role in international AML/CFT initiatives by contributing to global AML/CFT programs and policy discussions.

The FIU also does not have formal investigative powers to arrest and charge suspects or restrain properties. The FIU also does not have a prosecutorial role. The FIU's role as a financial intelligence body in Fiji has become an integral part and contributor in successfully investigating and prosecuting money laundering, fraud and other crimes.

The National AML Council provides assistance to the FIU on broad AML policy and national coordination framework.

The Reserve Bank of Fiji (RBF) provides funding and administrative support for the FIU's operations.

## Director's foreword



Razim Buksh

I am pleased to present the 2013 Annual Report of the Financial Intelligence Unit.

The Annual Report highlights FIU's major achievements and outputs in 2013 and includes important statistical analysis of reporting and operational achievements, developments in AML policy framework, compliance and enforcement issues, stakeholder cooperation, and domestic and international networking and information sharing.

The outcomes in 2013 continued to reflect FIU's role as the lead agency in the fight against money laundering in Fiji. The 2013 Annual Report also shows the high level of dependence on FIU's financial intelligence framework and a central information hub that continued to contribute towards successful investigation and prosecution of predicate crimes, money laundering offences, and successful restraining and forfeiture of assets and proceeds of crime. There was an increase in the detection of border currency reporting violations by FIU's partner agencies in 2013 and a greater number of FIU intelligence disseminations and assistance that were provided on suspected violations under the Customs Act.

The FIU undertook a major compliance program in 2013 on financial institutions' record keeping requirement. The national AML conference also provided a platform to engage with the private sector institutions and stakeholders. A number of industry outreach and public awareness activities, particularly on the new unexplained wealth provisions, were undertaken by the FIU in 2013. As a result of FIU's trainings and direct engagement with key government agencies, the number of requests for credibility checks substantially decreased in 2013.

The FIU's regional and international leadership and representation with the Asia Pacific Group on Money Laundering (APG), the Alliance for Financial Inclusion, the Egmont Group of World FIUs and the Association of Pacific Island FIUs has enhanced the engagement and commitment of our global partnership in combatting money laundering and the financing of terrorism. During 2013, the FIU also provided training and attachment opportunities to officials from other Pacific FIUs.

In 2013, the FIU also developed strategies and an action plan to implement additional requirements under the new Financial Action Task Force Recommendations. New challenges include the FIU's contribution to the national risk assessment under Recommendation 1, various preventative measures for the financial institutions, and strategic analysis requirement under Recommendation 29.

The FIU partnered with the RBF's Information Technology team to develop a case management system that would streamline a number of manual processes and enable the intelligence analysts to develop more clear intel reports and link charts electronically. Work on this project will continue in 2014. We currently manage 4.3 million financial transaction information in our database with over 100 external financial institution users.

Two money laundering conviction cases were recorded in 2013. In one case the money launderer was sentenced to 12 years imprisonment which is the highest jail term imposed so far in Fiji for money laundering offence. Authorities were also able to successfully deal with a number of predicate offences, particularly fraud and proceeds of crime related cases, as a result of financial investigation input from the FIU.

## Director's foreword (cont'd)

The following is a summary of the FIU's outputs and performance for 2013:

- received and analysed 522 suspicious transaction reports;
- received 380,430 cash transaction reports;
- received 1,147,728 electronic fund transfers reports;
- managed 4,294,774 financial transaction reports on our database;
- received 459 border currency reports;
- disseminated 270 intelligence reports to law enforcement agencies;
- issued eight Alert Notices to financial institutions on suspicious persons and entities;
- issued five Directives to financial institutions;
- handled 160 requests for investigative assistance from law enforcement agencies;
- handled 46 requests for due diligence and background checks from government agencies;
- provided AML and FTR Act training to 27 officers of financial institutions and 232 officers of law enforcement agencies;
- made 856 enquires and requests for further information from financial institutions;
- organised a joint FIU/Fiji Police workshop for police investigators;
- enrolled 31 officials at the National AML Computer Based Training Centre;
- provided secretariat support for the National AML Council and Working Groups;

- issued 43 ad-hoc policy advisories and two policy advisories to financial institutions;
- conducted off-site compliance assessments of reporting and record keeping obligations of larger financial institutions;
- held two AML Compliance Officers Forums;
- registered 90 AML Compliance Officers of financial institutions (since 2006);
- managed 110 current authorised users of the FIU's online IT system;
- signed MOAs with FIUs of five countries.

The FIU has witnessed significant changes in Fiji's AML landscape in the past eight years of the FIU's establishment under the FTR Act. The FIU will continue to contribute towards building a stronger legal, institutional, operational, networking, and regulatory environment on AML in Fiji that addresses domestic risk of money laundering and complies with the minimum international standards. The FIU will fully support and contribute towards the national risk assessment that is scheduled for 2014 and the APG mutual evaluation exercise that is planned for 2015.

I would like to thank the Governor and Board of the Reserve Bank of Fiji for providing financial and administrative support to the FIU in 2013. I would like to also thank the Commissioner of Police and the Chief Executive Officer of the Fiji Revenue and Customs Authority (FRCA) for seconding their officers to the FIU.

I look forward to the ongoing and even stronger partnership with government agencies, private sector financial institutions, stakeholders, and the National AML Council in achieving our vision of "protecting Fiji from money laundering".



**Razim Buksh**  
**Director**

## Statutory Agency

The FIU is an independent and administrative statutory agency of the Fijian Government. The powers, duties and functions of the FIU are clearly defined in the FTR Act.

The FIU was established in January 2006 under the FTR Act.

## Minister for Justice

The Minister for Justice is the line Minister responsible for the FTR Act.

Pursuant to section 23(3) of the FTR Act, the Minister is directly responsible for the performance of the Director of the FIU. The Minister is also responsible for appointing the Director of the FIU on the recommendation of the National AML Council.

## Governor of the Reserve Bank of Fiji

Pursuant to a ministerial delegation under the FTR Act, the Director of the FIU reports to the Governor of the RBF for the discharge of his powers, duties and functions provided under the FTR Act.<sup>1</sup> Subsequent to this delegation and on the recommendation of the Governor, the Board of Directors of the RBF approved the organisation structure of the FIU.

## Director of the FIU

The Director of the FIU is responsible for exercising the powers, duties and functions of the FIU as specified in the FTR Act. The Director is responsible to the Minister for Justice or such other person as the Minister may appoint, in the performance of his duties. Following the Minister's delegation of his responsibility in 2005, the Director is now directly responsible to the Governor of the RBF in the performance of his duties. The Director is a member of the National AML Council. He is also the advisor to the Minister and the Governor on matters relating to combating money laundering, terrorist financing and related offences in Fiji.

## Accountability to the Governor

The FIU's administrative processes and procedures are linked to that of the RBF. Therefore, the FIU complies with the corporate planning and budgeting policies and processes of the RBF. The FIU's annual work plan and budget are presented to the Governor and the RBF Board for their approval in November of the previous year.

The Director FIU provides monthly reports to the Governor of the RBF on the FIU's performance and achievement of work plan targets. The Director of the FIU also provides regular progress updates to the National AML Council, Governor and Board of the RBF on key FIU outputs.

## Reporting to the National Anti-Money Laundering Council

The National AML Council is established under the FTR Act and its members, roles and functions are also provided under the FTR Act.

The Council provides broad policy advice, assistance and guidance to the FIU on the prevention of money laundering, terrorist financing and related activities in Fiji. The Council is also responsible for making recommendations to the Minister on the appointment of the Director of the FIU.

The FIU provides regular reports and updates to the National AML Council.

## Funding and Administration

The FIU is fully funded by the RBF and is organised as a separate functional group within the RBF's organisation structure. The annual budget of the FIU is submitted for the approval by the Board of the RBF each year. The FIU is accountable to the Governor and the Board for the use of funds allocated annually.

The FIU is administratively housed within the RBF. The FIU is subject to all the administrative protocols, policies and procedures of the RBF.

Due to the nature of its establishment as part of the RBF, the FIU does not prepare and publish a separate set of financial statements on its operations. The expenditure of the FIU is included in the financial statements of the RBF and is subject to the Bank's internal and external audit.

The FIU also receives indirect financial support from the Fiji Police Force and the FRCA through staff secondment to the FIU on a full time basis. The secondment arrangement is provided under MOAs the FIU has signed with the two agencies.

The FIU does not currently receive any supplementary funding support from the Government.

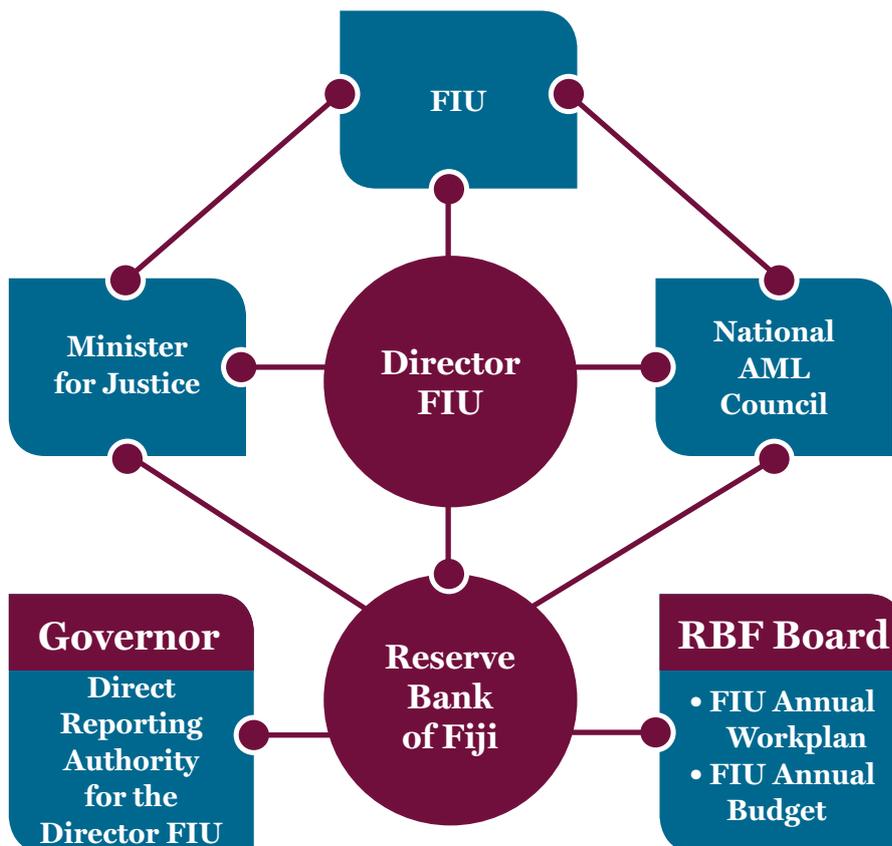
<sup>1</sup>Delegation of powers was provided in the Fiji Gazette Supplement No. 36 of 9 December 2005.

## Independence of the FIU

While the FIU is administratively dependent on the RBF, the technical functions of the FIU are totally independent of the RBF. The Director of the FIU is responsible and accountable for the decisions relating to the delivery of the FIU core outputs. The functional and operational independence of the FIU is provided under Part 4 of the FTR Act.

The FTR Act requires that the consideration for appointment of Director FIU by the Minister (Governor of the RBF under delegation of authority) is subject to the recommendation of the National AML Council. The FTR Act also provides how the remuneration package of the Director FIU is determined. To ensure that the functions of the FIU are not influenced by other parties, the Director of the FIU is solely vested with the powers to discharge the statutory and functional responsibilities of the FIU.

## Governance Framework





# MISSION 1

To formulate and implement strategies to combat money laundering, terrorist financing and other serious crimes to ensure the safety and integrity of Fiji's financial system

# IMPLEMENT STRATEGIES TO COMBAT MONEY LAUNDERING AND OTHER SERIOUS CRIMES

## Laws, Policy and Procedural Measures

### Implementation of the FTR Act and Regulations

The FIU continued to work closely with financial institutions during 2013 to implement the requirements of the FTR Act and Regulations. These requirements aim to prevent or detect money laundering and terrorist financing activities within Fiji's financial system.

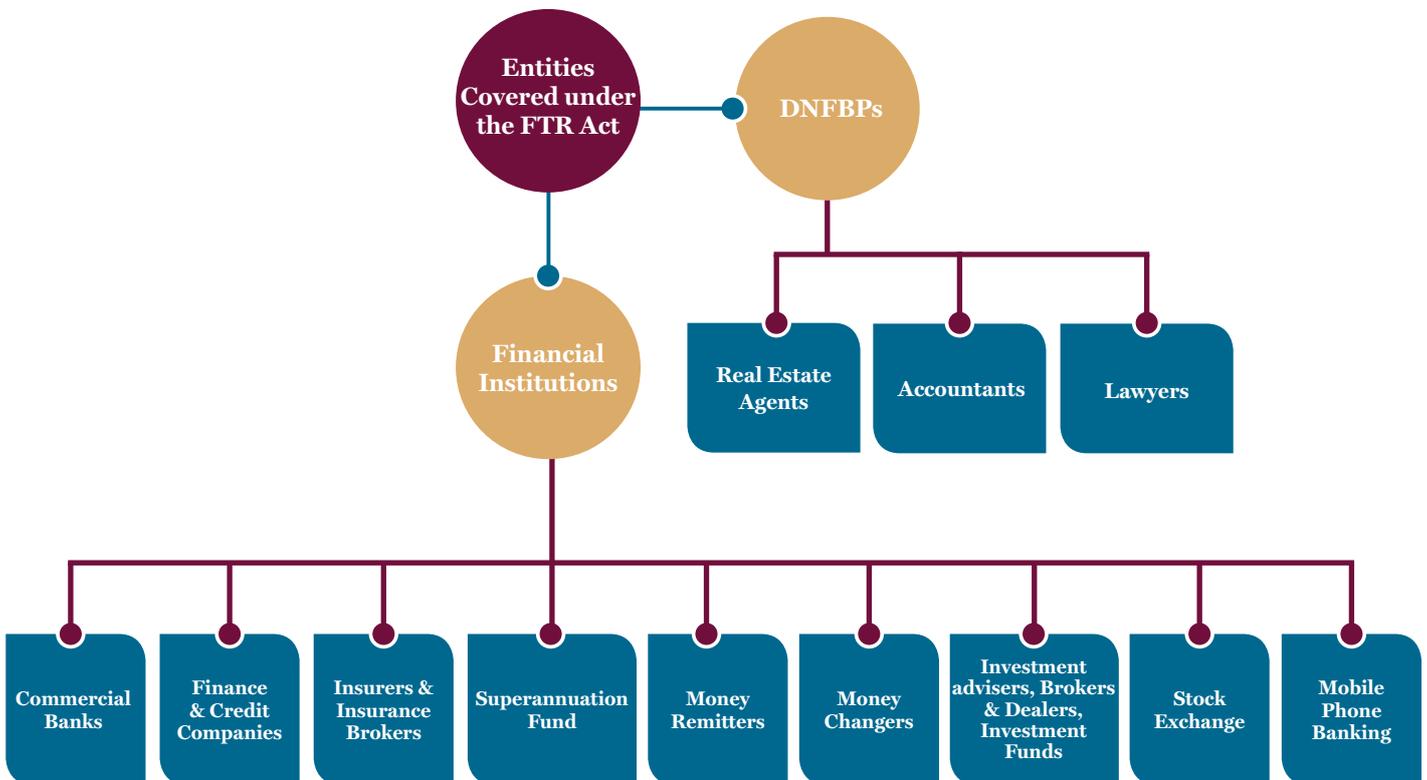
The requirements in the FTR Act are based on international AML/CFT standards, the Financial Action Taskforce (FATF) Recommendations.

Entities and businesses that are required to comply with the requirements of the FTR Act include:

- i. financial institutions such as, commercial banks, insurance companies and intermediaries, finance companies, money remitters, money changers, investment advisors, brokers and dealers, unit trust or managed funds, mobile phone banking service providers; and
- ii. other designated non-financial businesses and professions (DNFBPs) such as, accounting firms, law firms, real estate agents or businesses.

All entities and businesses that are covered by the FTR Act are referred to as "financial institutions" under the law.

## Entities and Businesses Covered by the FTR Act



## AML Guidelines & Policy Advisories

The FIU provides financial institutions with advice and guidance on the requirements under the FTR Act and Regulations. These advisories and guidelines are aimed at helping financial institutions gain a better understanding of their obligations under the laws.

In 2013, the FIU issued a Policy Advisory to financial institutions in Fiji to allow them to rely on the Fiji National Provident Fund (FNPF)/FRCA Joint Identification Card to verify their customers' identity when they come to establish a business relationship or engage in any financial transactions or services.

Appendix 1 lists all the Guidelines issued by the FIU to date. These Guidelines provide detailed guidance on the requirements under the FTR Act relating to suspicious transaction reporting, cash transaction reporting and customer identification and verification.

Appendix 2 lists all the Policy Advisories issued to date by the FIU. These Policy Advisories address very specific issues relating to the FTR Act.

The FIU also provides policy advice on an ad-hoc basis, as and when requested by financial institutions. In 2013, the FIU issued 43 ad-hoc policy advisories explaining various requirements of the FTR Act and Regulations. A majority (24) of the ad-hoc policy advisories related to the customer due diligence requirements of the law (Table 1).

TABLE 1 | Ad-hoc Policy Advisories Issued by FIU in 2013

Nature of Advisory	Number Ad-hoc Advisories Issued
Customer Due Diligence Requirements	24
Transaction Reporting Requirements	8
Other Issues (FIU Alert Notices, role of compliance officer, AML developments)	11
<b>TOTAL</b>	<b>43</b>

Source: Fiji FIU

## Compliance

### Supervision of Financial Institutions for Compliance with the FTR Act

The FIU and RBF are required under the FTR Act to supervise and ensure that financial institutions' comply with the FTR Act and Regulations.

During 2013, the FIU examined selected financial institutions for compliance with the requirements of the FTR Act to maintain proper records of transaction reports submitted to the FIU. This was an off-site assessment which commenced in 2011. Results of the assessments were finalised in 2013.

The FIU also undertook a compliance program on section 8 (record keeping) and section 13 (reporting) of the FTR Act. This included off-site examination and review of electronic online reporting and record keeping obligations by larger financial institutions in Fiji.

The FIU provided policy advice to RBF supervisors as and when needed on compliance issues.

## Awareness & Training

### National AML Conference

The FIU held the 4th National AML Conference in November 2013. The Conference, with the theme "Detecting Money Laundering Crimes", was attended by 149 delegates representing financial institutions, law enforcement agencies, the judiciary, and other government agencies.

The Conference was officially opened by the Director of Public Prosecutions, Mr Christopher Pryde. The Conference had speakers from the public and private sector who discussed the Conference theme. The Conference was officially closed by the Deputy Governor of the RBF, Mr Inia Naiyaga.



4th National AML Conference, Suva.

From top left Mr Christopher Pryde, Madam Nazhat Shameem, Mr Inia Naiyaga, Mr Vijend Singh

### Training & Awareness Programs for Financial Institutions

In 2013, the FIU provided training for a finance company which was attended by 27 of its employees. The training covered the financial institutions' obligations under the FTR Act and Regulations to report suspicious transactions.

The FIU held networking visits with two finance companies in Labasa. The objectives of the visit were to network with financial institutions and provide awareness on the FTR Act.

The FIU also presented at two professional seminars held for lawyers and accountants on the topic "unexplained wealth". The seminars were organised by the respective professions as part of the professional development program for their members. In June 2013, the Director FIU was a guest speaker at the annual Fiji Institute of Accountants Congress on the topic "the nexus between anti-corruption and anti-money laundering systems in Fiji". This was an opportunity to raise awareness on how the AML measures can be used to fight corruption in Fiji.

### Training & Awareness Programs for Law Enforcement Agencies

The FIU continued to provide training and awareness briefings to law enforcement agencies during the year on money laundering and the role and functions of the FIU. A total of 232 law enforcement officials attended these training sessions (Table 2).

**TABLE 2** FIU Training Provided to Law Enforcement Agencies

Date	Particular of Training	Participating Agencies	Number of Participants
14 February	Police CID Basic Qualifying course	Fiji Police Force	27
1 May	Financial Investigation Awareness Workshop	Fiji Police Force FRCA Representatives of regional Police Force	30
29 August	Unexplained Wealth	Fiji Independent Commission Against Corruption	42
3-4 September	Money Laundering and Following the Proceeds of Crime Workshop	Fiji Police Force	15
1 October	Investigators Course (Level 2)	Fiji Police Force	40
11 November	CID Advance Course	Fiji Police Force	40
10 December	Investigators Course (Level 2)	Fiji Police Force	38
<b>TOTAL</b>			<b>232</b>

Source: Fiji FIU

In September the FIU and the Fiji Police Force jointly organised a two-day specialised training workshop for the police investigators in Labasa. The workshop was attended by 15 police officers. The topic was "Money Laundering and Following the Proceeds of Crime".

The workshop covered topics on investigating money laundering activities and identifying and confiscating tainted proceeds that may be linked to criminal activities. The facilitator for the workshop was Madam Nazhat Shameem, a former Director of Public Prosecutions and former High Court Judge and included trainers from the FIU and Police AML Unit.



Madam Nazhat Shameem, co-facilitators from Fiji Police Force and FIU and participants of the Money Laundering and Following the Proceeds of Crime Workshop.

### Awareness Programs for Other Stakeholders

The FIU was also invited to provide briefings to a number of stakeholders including the National Peoples Charter Council and a sub-committee of the Fiji Commerce and Employers Federation. These briefings provided opportunities to create awareness on Fiji's AML/CFT framework and the work of the FIU.

### National AML Learning Centre

The FIU continued to manage and provide administrative support for the National AML Learning Centre during 2013. The Centre provides 12 computer based courses with a total of 74 modules on money laundering and other topics such as, human trafficking, precursor chemicals and advanced search techniques, dealing with informants, undercover operations, financial interviewing, interdiction techniques, risk management and understanding intelligence.

The computer based courses available at the Centre have been developed by the United Nations Office on Drugs and Crime using subject experts from around the world.

A total of 31 officials from various government agencies and financial institutions enrolled for courses at the Centre during 2013. Some officials had enrolled in more than one course.

11 officials completed courses at the Centre during 2013. (Table 3). Some officials completed more than one course.

**TABLE 3 | CBT Courses Completed in 2013**

CBT Course	Number Completed
Money Laundering Course	11
Advanced Money Laundering Course	5
Other Courses	6
<b>Total</b>	<b>22</b>

Source: Fiji FIU

At the end of 2013, a total of 83 officers have completed the specialised courses at the Centre since it was established in 2010.



Director FIU Razim Buksh with recipients of certificates of completion for courses completed at the National AML Learning Centre

## Domestic Coordination

### National AML Council

The FIU continued to provide secretarial support for the National AML Council and its three AML Working Groups (Legal Working Group; Supervisors & Regulators Working Group; and Law Enforcement Working Group).

The National AML Council held three meetings during 2013 and its work was supported by the three AML Working Groups (Refer to section on National AML Council for more information).

The Director FIU is a member of the National AML Council and participated in the Council's activities for 2013.

Other FIU staff also actively contributed to the work of the AML Working Groups.

The FIU worked closely with the Council on Fiji's 2013 Detailed Progress Report (DPR) to the APG. The DPR provides an annual update on Fiji's progress on compliance with the recommendations of the 2006 Mutual Evaluation Report by the World Bank.

### Memorandum of Agreement with Partner Agencies

The FIU continued with its MOA arrangements with partner agencies during 2013.

The FTR Act provides the FIU with the mandate to enter into MOAs with other agencies. The MOAs allows the FIU to exchange information and enhance networking and cooperation with domestic partner agencies. To date the FIU has signed MOAs with 10 domestic partner agencies (Table 4).

Three officers from the FIU's partner agencies continued to be seconded with the FIU during 2013 as provided under the MOA arrangement. Two of the seconded officers are from FRCA and one officer is from the Fiji Police Force.

**TABLE 4** | MOAs with Domestic Partner Agencies

Agency	Date MOA Signed	Type of MOA
Immigration Department	12 July 2007	Information exchange
Fiji Revenue and Customs Authority	28 November 2007	Information exchange and secondment of two staff with the FIU
Fiji Police Force	24 January 2008	Information exchange and secondment of a staff with the FIU
Investment Fiji	13 June 2008	Information exchange
Ministry of Justice	3 July 2008	Information exchange
Land Transport Authority	5 October 2009	Information exchange
Fiji Independent Commission Against Corruption (FICAC)	3 November 2009	Information exchange
Data Bureau Ltd	18 December 2009	Information exchange
Joint Taskforce RBF/FRCA/FIU	14 April 2010	Information exchange
Maritime Safety Authority of Fiji	16 August 2012	Information exchange

Source: Fiji FIU

### Counter Terrorism Officials Working Group

The FIU is a member of the Counter Terrorism Officials Working Group (CTOG), a national Working Group which is responsible for developing and implementing Fiji's counter terrorism strategy. During 2013, the FIU continued to contribute to the meetings and work of CTOG.

### Reserve Bank of Fiji e-Money Taskforce

The FIU is a member of the RBF e-Money Taskforce. The Taskforce is responsible for overseeing the development of the mobile phone banking sector in Fiji.

The FIU participated in the meetings and activities of the e-Money Taskforce in 2013.

As a member of this Taskforce, the FIU also participated in consultations on the draft laws and regulations for the Payment and Settlement System.

### Meetings with Stakeholders

The FIU met with stakeholders one on one throughout the year to discuss AML/CFT related issues. The FIU also accommodated courtesy visits from stakeholders as and when needed (Table 5).

**TABLE 5** | Meetings & Visits 2013

	Number of meetings/visits
Meetings	153
Visits	3

## International Coordination

### Egmont Group

The FIU continued to participate in the activities of the Egmont Group of FIUs during 2013. This included providing regular updates throughout the year to the Egmont Group Oceania regional representative on key AML/CFT initiatives and developments in Fiji.

The FIU participated at the Egmont Group's 2013 Annual Plenary Meeting which was held in South Africa. The FIU also provided assistance and information to other Egmont Group members upon request via the Egmont Secure Website (ESW) (Table 6).

**TABLE 6** | ESW Information Exchanges with Other FIUs

	2011	2012	2013
Number of requests made to Fiji FIU	16	5	10
Number of requests made by Fiji FIU	3	1	3

### Memorandum of Agreements with Foreign FIUs

The FIU may enter into MOAs with foreign FIUs or law enforcement agencies for the exchange of information relevant to the investigation or prosecution of a money laundering offence, terrorist financing offence or any other serious offence.

In 2013, the FIU signed MOAs with five foreign FIUs namely the Israel Money Laundering Prohibition Authority, Samoa FIU, Vanuatu FIU, Federal Financial Monitoring Service (Russian Federation) and the Council for Financial Activities Control (Brazil). The Fiji FIU has signed MOAs with 23 foreign FIUs to date (Table 7).

**TABLE 7** | MOAs with Foreign FIUs

Country	Name of FIU	Date
Australia	Australian Transactions Reports and Analysis Centre (AUSTRAC)	19 May 2011
Belgium	Financial Intelligence Unit	3 September 2012
Brazil	Council for Financial Activities Control	3 July 2013
Canada	Financial Transactions and Reports Analysis Centre of Canada	12 July 2011
Cook Islands	Cook Islands FIU	21 July 2011
France	The Unit for Intelligence Processing and Action Against Illicit Financial Networks	12 July 2011
Indonesia	Indonesian Financial Transaction Reports and Analysis Center	10 July 2009
Israel	Israel Money Laundering Prohibition Authority	6 February 2013
Korea	Korea FIU	6 May 2011
Macau SAR China	Financial Intelligence Office	6 and 13 March 2012
Malaysia	Unit Perisikan Kewangan, Bank Negara Malaysia	3 February 2010
Philippines	The Anti-Money Laundering Council, The Financial Intelligence Unit of the Republic of the Philippines	13 July 2011
Papua New Guinea	Papua New Guinea FIU	8 December 2011
Samoa	Samoa FIU	8 March 2013
Solomon Islands	Solomon Islands FIU	12 July 2011
South Africa	Financial Intelligence Centre	11 July 2012
Sri Lanka	Financial Intelligence Unit of Central Bank of Sri Lanka	21 July 2011
Republic of China (Taiwan)	Anti-Money Laundering Division, Investigation Bureau, Ministry of Justice	10 July 2012
Russia	Federal Financial Monitoring Service (Russian Federation)	28 June 2013
Thailand	The AML Office of the Kingdom of Thailand	25 October 2011
United Kingdom	The Serious Organised Crime Agency Financial Intelligence Unit	12 July 2011
United States of America	The Financial Crimes Enforcement Network	12 July 2011
Vanuatu	Vanuatu FIU	8 March 2013

Source: Fiji FIU

### Association of Pacific Island FIUs

The Association of Pacific Island FIUs (APIFIU) was established in 2011 and currently has 12 FIUs as its members.. The APIFIU members are the FIUs of Cook Islands, Fiji, Kiribati, Nauru, Niue, Palau, Papua New Guinea, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga and Vanuatu.

The FIU participated in the meeting of APIFIU. In addition, the FIU provided one week work attachment for officers from the FIUs of Vanuatu, Tonga, Nauru and Kiribati. The attachment program covered the areas of policy, compliance, intelligence management and national and international coordination. In late 2013, the FIU also provided technical assistance to the Cook Islands FIU on their information management system. The FIU also provided advice during the year to regional FIUs on various aspects of Fiji's AML/CFT framework.



Staff of regional FIUs on work attachment with the Fiji FIU.

From top left Mr. Victor Soriano (Nauru); Mr. Raurenti Teang (Kiribati); Mr. Kazz Olsson (Nauru); Ms. Olivina Halapio (Tonga); Mr. Kevin Tari (Vanuatu); Ms. Kella Bellam (Vanuatu); Mr. Josiah Kuatpen (Vanuatu)

### *Asia Pacific Group on Money Laundering*

The APG is an autonomous and collaborative international organisation currently comprising 41 member countries. Fiji has been a member of the APG since it was established in 1997.

The FIU participated in the activities of the APG during 2013. Key APG activities in which the FIU participated in included:

- i. attended the APG Annual Plenary Meeting held in China;
- ii. participated in the APG mutual evaluation follow up review team of an APG member;
- iii. participated in various APG surveys and contributed to discussion papers;
- iv. attended and co-chaired the APG Typologies Workshop held in Mongolia;
- v. presented on Fiji's approach for balancing AML/CFT requirements with financial inclusion goals at the APG Annual Plenary and Typologies Workshop (ongoing);
- vi. facilitated a Pacific Fraud and Money Laundering Typologies project;
- vii. participated in the APG Steering Group meetings as a representative of the Oceania region.

The Director of the FIU chaired the 2013 APG Typologies Working Group Forum that was held in Mongolia.

The FIU also prepared and submitted Fiji's country report, technical assistance report, Fiji's money laundering typologies report and mutual evaluation progress report for the 2013 APG Annual Plenary Meeting and the Typologies Workshop.

The FIU continued to liaise with the APG on various AML issues relevant to Fiji during the year.

### *Alliance for Financial Inclusion*

The FIU is a member of the Alliance for Financial Inclusion (AFI) Financial Integrity Working Group (FINTWG). The aim of FINTWG is to provide a platform for AFI members to discuss critical policy and regulatory issues and to continue the exchange and sharing of successful country-level experiences on how to balance and reinforce financial integrity and inclusion.

The FIU participated in the meeting and activities of the FINTWG and the AFI Global Policy Forum during the year. The FIU contributed to the FINTWG review of the Basel draft consultative paper on management of AML/CFT risks.



AFI, RBF and FIU staff at the AFI Global Policy Forum 2013, Kuala Lumpur, Malaysia

### **CASE STUDY 1 Impersonation Scam**

Person X, a 48 year old widow who was a machinist by profession received a number of deposits (totaling FJ\$9,633) into her bank account between April and June 2011 which appeared questionable.

The STR was reported when the bank teller enquired with third party customers depositing money to the bank account of Person X. These customers advised that they received a phone call from an individual instructing them to deposit money to "the bank account" as part of applying for an agriculture scheme.

The FIU was able to establish similar deposits made into the bank account of other associates and one of them was also using the same local mobile number of Person X.

#### **Possible Offence:**

- Money Laundering.
- Obtaining money by deception

#### **Indicators:**

- Unusual deposits made at various branches of a certain bank by third parties – the customer was a machinist and yet, she was receiving deposits from individuals at different locations.
- Account activity does not match the profile of the customer – Apart from normal salary deposits, Person X, a machinist was receiving other cash deposits.



# MISSION 2

To ensure compliance with global standards  
on anti-money laundering and combating the  
financing of terrorism

# COMPLY WITH GLOBAL STANDARDS ON ANTI-MONEY LAUNDERING & COMBATING THE FINANCING OF TERRORISM

## *EATF Recommendations 29 - FIU*

The international standards set out key requirements that govern the operations of an FIU as follows:

- 1.1 Countries should establish an FIU with responsibility for acting as a national centre for receipt and analysis of suspicious transaction reports and other information relevant to money laundering, associated predicate offences and terrorist financing and for the dissemination of the results of that analysis.
- 1.2 The FIU should serve as the central agency for the receipt of disclosures filed by reporting entities including:
  - (a) Suspicious transaction reports filed by reporting entities; and
  - (b) any other information as required by national legislation (such as cash transaction reports, wire transfers reports and other threshold-based declarations/disclosures).
- 1.3 The FIU should:
  - (a) in addition to the information that entities report to the FIU, be able to obtain and use additional information from reporting entities, as needed to perform its analysis properly; and
  - (b) have access to the widest possible range of financial, administrative and law enforcement information that it requires to properly undertake its functions.
- 1.4 The FIU should conduct:
  - (a) operational analysis, which uses available and obtainable information to identify specific targets, to follow the trail of particular activities or transactions, and to determine links between those targets and possible proceeds of crime, money laundering, predicate offences and terrorist financing; and
  - (b) strategic analysis, which uses available and obtainable information, including data that may be provided by other competent authorities, to identify money laundering and terrorist financing related trends and patterns.
- 1.5 The FIU should be able to disseminate, spontaneously and upon request, information and the results of its analysis to relevant competent authorities, and should use dedicated, secure and protected channels for the dissemination.

- 1.6 The FIU should protect information by:
  - (a) having rules in place governing the security and confidentiality of information, including procedures for handling, storage, dissemination, and protection of, and access to, information;
  - (b) ensuring that FIU staff members have the necessary security clearance levels and understanding of their responsibilities in handling and disseminating sensitive and confidential information; and
  - (c) ensuring that there is limited access to its facilities and information, including information technology systems.

- 1.7 The FIU should be operationally independent and autonomous, by:
  - (a) having the authority and capacity to carry out its functions freely, including the autonomous decision to analyse, request and/or forward or disseminate specific information;
  - (b) being able to make arrangements or engage independently with other domestic competent authorities or foreign counterparts on the exchange of information;
  - (c) when it is located within the existing structure of another authority, having distinct core functions from those of the other authority; and
  - (d) being able to obtain and deploy the resources needed to carry out its functions, on an individual or routine basis, free from any undue political, government or industry influence or interference, which might compromise its operational independence.

- 1.8 Where a country has created an FIU and is not an Egmont Group member, the FIU should apply for membership in the Egmont Group. The FIU should submit an unconditional application for membership to the Egmont Group and fully engage itself in the application process.

The Fiji FIU is mandated under the FTR Act to receive and analyse suspicious transaction reports and to disseminate the results of its analysis to law enforcement agencies. The FIU also receives other reports on cash transactions of \$10,000 and above, all international electronic fund transfers and reports of border currency declarations.

In addition to information reported to it by financial institutions, the FIU obtains and uses additional

information from reporting entities, and has access to a wide range of financial, administrative and law enforcement information as needed to perform its analysis.

The Fiji FIU conducts operational analysis of and limited strategic analysis. As part of its new strategic plan, the FIU plans to strengthen its strategic analysis function.

The FIU is able to disseminate, spontaneously and upon request, information and the results of its analysis to relevant competent authorities and uses dedicated, secure and protected channels for the dissemination. The Fiji has very clear and stringent procedures to protect the security and confidentiality of information that it handles, including procedures for handling, storage, dissemination, and protection of, and access to information; and controls to limit access to its office and to safeguard its information technology system.

The FIU is operationally independent and autonomous as provided under the FTR Act. It has full authority and capacity to carry out its functions freely without interference from any third party. The FIU is able to make arrangements or engage independently with other domestic competent authorities or foreign counterparts on the exchange of information.

The Director FIU also is able to obtain and deploy the resources needed to carry out its functions.

The Fiji FIU is also a member of the Egmont Group and participates in its activities and programs.

In the 2006 Mutual Evaluation Report (MER), Fiji was rated “partially compliant” with the international standards relating to FIUs.

However, since 2006, the FIU has made substantial progress to rectify the deficiencies that were noted in the 2006 MER. In the 2010 mutual evaluation progress report, the APG review team acknowledged that the Fiji FIU had made “sufficient progress” to bring its level of compliance with the international standards to a level equivalent to a “largely compliant” or “compliant”.

The FIU has recently developed its strategic plan for 2014 - 2018. The strategic plan sets out the strategic direction of the FIU for the next five years, keeping in mind the requirements of the international standards as set out above.

### **Implementation of the World Bank Recommendations**

Fiji last underwent a mutual evaluation of its AML/CFT framework in 2006. Since then, Fiji has made significant progress in implementing a number of the MER recommendations.

In 2013, the FIU together with the National AML Council continued to progress work on the remaining recommendations of the MER. Following the issuance of the Proceeds of Crime (Management and Disposal of Property) Regulations in 2012, the Council tasked its Legal Working Group in 2013 to develop operational guidelines to implement the provisions of this Regulation. This work will continue into 2014.

During the year, the three Working Groups of the Council developed a broad strategic plan on how Fiji will implement the requirements of the new FATF Recommendations. This broad strategic plan was discussed and endorsed by the Council during the year.

The FIU, on behalf of the National AML Council, liaised with the APG on the schedule for Fiji’s next mutual evaluation.

The FIU coordinated the compilation and submission of Fiji’s DPR to the APG during the year. The DPR provided detailed update to the APG membership on what Fiji has undertaken to address the key and core FATF Recommendations that were rated as “non-compliant” and “partially-compliant” in the 2006 mutual evaluation.

During the year, the FIU advised the Council on the need to conduct a national risk assessment for Fiji as required under the revised FATF Recommendations. The arrangements for the conduct of this national risk assessment will be finalised in 2014.

### **Fiji’s Compliance with the 16 Core/Key Recommendations**

The FIU continued to contribute to Fiji’s compliance with the international AML standards, the FATF Recommendations.

Although Fiji had a strong legislative AML/CFT framework in 2006 during its last mutual evaluation, its compliance ratings with a number of Recommendations were actually marked down due primarily for failing the effectiveness test (Table 8).

**TABLE 8** Summary of Fiji’s Compliance Ratings FATF Recommendations 2006

Compliance Ratings	FATF 40 Recommendations	FATF 9 Special Recommendations	Total
Compliant	8	0	8
Largely Compliant	6	0	6
Partially Compliant	25	7	32
Non Compliant	1	2	3

Source: Fiji FIU

Fiji has introduced a number of additional measures since 2006 in the following areas:

- Laws and Regulations;
- Policy;
- Training and awareness;
- Regulatory and compliance;
- Reporting and intelligence;
- Institutional;
- Investigation and law enforcement;
- Prosecution;
- Recovery of proceeds of crime;
- Domestic networking; and
- International co-operation.

Through its coordinating role in the National AML Council and its 3 AML Working Groups, the FIU had coordinated a number of initiatives aimed at addressing the deficiencies of the 2006 MER and improving Fiji’s compliance with the FATF Recommendations.

The FIU and other Fijian Government agencies have committed substantial resources since 2006 in introducing a number of important measures that are aimed at further strengthening and improving Fiji’s compliance rating with the FATF Recommendations (Table 9).

**TABLE 9** Summary of Fiji’s Compliance Initiatives with the FATF Standards

<b>Legal Systems</b>	<p>Criminalisation of money laundering and terrorist financing under the Proceeds of Crime Amendment Act.</p> <p>Legal framework for the confiscation of criminal assets.</p> <p>Issued the Crimes Decree in 2010 which modernises Fiji’s penal code and introduces as offences emerging predicate crimes.</p> <p>Issued the Proceeds of Crime (Amendment) Decree 2012 which introduces measures for dealing with unexplained wealth.</p> <p>Issued the Proceeds of Crime Regulations 2012 which contains provisions for the management and control of restrained or forfeited property.</p> <p>Border currency reporting framework.</p>
<b>Preventive Measures - Financial Institutions and DNFBPs</b>	<p>Issued the FTR Regulations in 2007.</p> <p>Ongoing training of financial institutions and DNFBPs on their AML/CFT obligations.</p> <p>Implemented the AML/CFT requirements under the FTR Act and Regulations in financial institutions.</p>
<b>Institutional and Other Measures</b>	<p>Established the National AML Council which provides policy advice and strategic direction on AML/CFT matters to Government and the FIU.</p> <p>Clearly designated the AML/CFT supervisory authority for the various financial sectors.</p> <p>Enforcement of the FTR Act and Regulations on the various financial institutions and non-financial businesses and professions.</p> <p>Law enforcement and prosecutorial agencies have strengthened their capacity and skills to investigate and prosecute money laundering offences.</p> <p>Ongoing training of law enforcement officers and prosecutors to deal with money laundering offences.</p>
<b>National and International Co-operation</b>	<p>Fiji has ratified all 16 of the counter terrorism conventions.</p> <p>Fiji has an enabling legal framework for mutual legal assistance and extradition.</p> <p>Fiji FIU joined the Egmont Group in 2009.</p> <p>Fiji FIU has signed MOAs for information sharing with 23 foreign FIUs.</p> <p>Fiji FIU has signed MOAs with 10 domestic partner agencies.</p>

Source: Fiji FIU

# MISSION 3

To assist in the detection, investigation and prosecution of money laundering and terrorist financing offences

# DETECT AND INVESTIGATE MONEY LAUNDERING AND TERRORIST FINANCING

## Suspicious Transaction Reports

Financial institutions are required under section 14 of the FTR Act and section 24 of the FTR Regulations to report to the FIU, any ‘suspicious transactions’, including “attempted suspicious transactions” that may be related to a “serious offence, a money laundering offence or an offence of the financing of terrorism”.

Financial institutions report these suspicious transactions by completing a Suspicious Transaction Report (STR) form<sup>2</sup>.

Financial institutions must also report a suspicious transaction within two working days upon forming a suspicion.

Serious penalties are provided in the FTR Act for failure to report a suspicious transaction to the FIU and these include:

- a) for an individual – a fine not exceeding \$30,000 or a term of imprisonment not exceeding five years or both;
- b) for a body corporate – a fine not exceeding \$150,000.

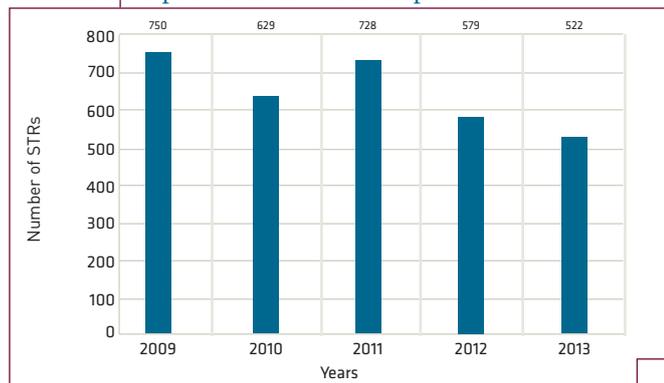
In 2013, 522 STRs were reported to the FIU (Table 10; Graph 1). This reflects a slight decrease of 10 percent compared to 579 STRs reported to the FIU in 2012.

TABLE 10 Suspicious Transactions Reported

	2009	2010	2011	2012	2013
Total STRs	750	629	728	579	522
Monthly Average STRs	63	52	61	48	44

Source: Fiji FIU

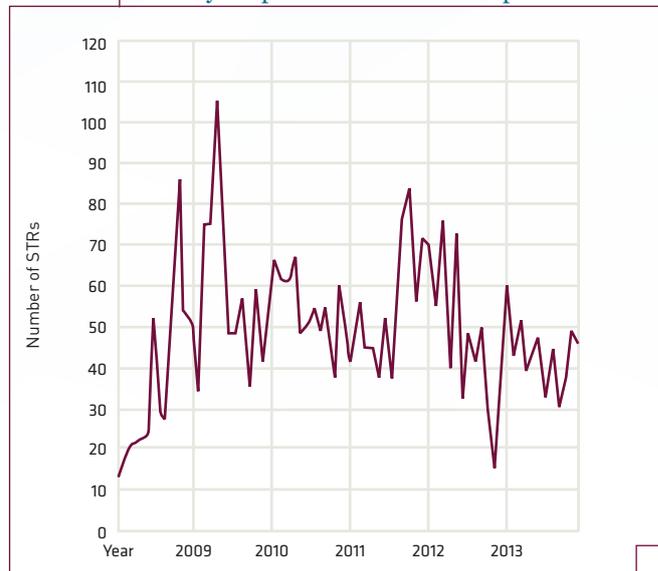
GRAPH 1 Suspicious Transactions Reported



Source: Fiji FIU

The FIU received an average of around 44 STRs per month from financial institutions in 2013 compared to an average of around 48 STRs per month in 2012 (Graph 2).

GRAPH 2 Monthly Suspicious Transaction Reports



Source: Fiji FIU

## Reporting Financial Institutions

STRs were received by the FIU from various financial institutions including members of the public (Table 11; Graph 3). The majority of the STRs were received from commercial banks.

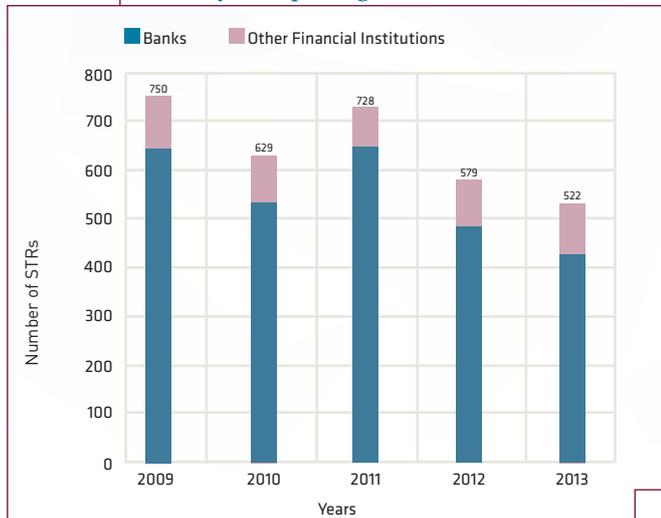
TABLE 11 Summary of Reporting Financial Institutions

Financial Institutions and Persons Reporting	No. of STRs Received				
	2009	2010	2011	2012	2013
Commercial Banks	641	538	650	477	425
Money Remittance Service Providers	86	75	39	68	42
Finance Companies	6	1	0	0	5
Members of the Public	10	6	24	22	40
Regulatory Authorities	0	4	1	3	3
Law Firms	2	1	5	4	0
Accounting Firms	0	1	2	1	2
Insurance Companies and Superannuation	4	3	1	2	3
Real Estate Businesses	0	0	2	1	1
Others	1	0	4	1	1
<b>TOTAL</b>	<b>750</b>	<b>629</b>	<b>728</b>	<b>579</b>	<b>522</b>

Source: Fiji FIU

<sup>2</sup>Refer to Appendix 3 for a copy of the STR form.

**GRAPH 3** Summary of Reporting Financial Institutions



Source: Fiji FIU

### FIU Enquiries with Financial Institutions

The FIU has powers to obtain information from relevant financial institutions under section 14(3) and section 25(1) (h) of the FTR Act.

In 2013, a total of 856 queries for further information were made by FIU to commercial banks (78 percent) and other financial institutions (22 percent) (Graph 4; Graph 5).

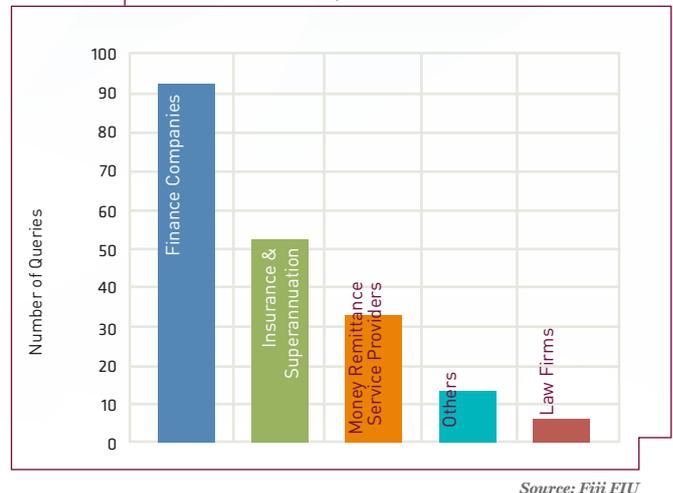
**GRAPH 4** Monthly FIU Queries to Financial Institutions 2013



Source: Fiji FIU

The queries are aimed at developing further intelligence on information already provided on the STRs. FIU queries may be also in relation to an on-going investigation of money laundering offence or proceeds of crime case.

**GRAPH 5** FIU Queries to Financial Institutions (Excluding Commercial Banks)

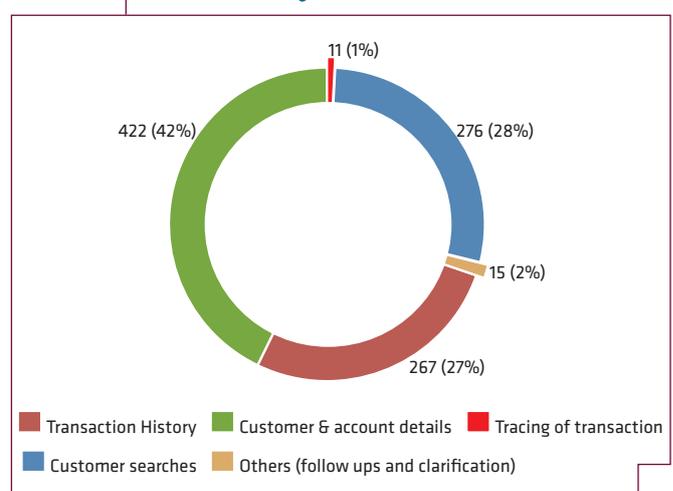


Source: Fiji FIU

The queries sent to financial institutions included requests for:

- i. customers' transaction history;
- ii. customer identification details;
- iii. customer account details;
- iv. copies of documents such as identification documents;
- v. customer transaction queries;
- vi. follow ups and clarifications (Graph 6).

**GRAPH 6** Nature of FIU Queries to Financial Institutions



Source: Fiji FIU

### Value of Transactions Reported as Suspicious

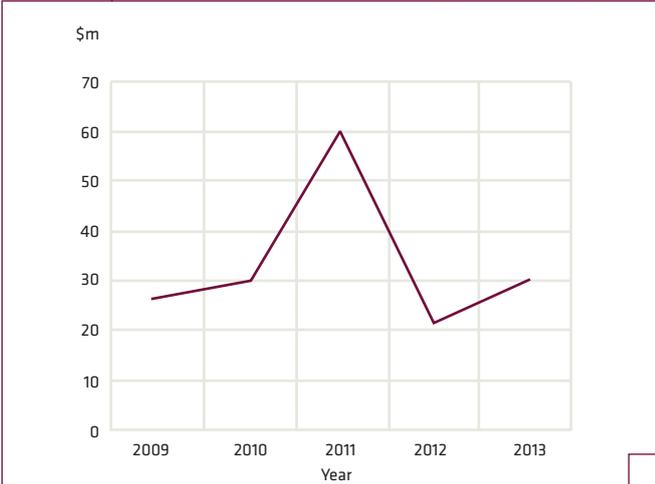
The total annual value of suspicious transactions that were reported to the FIU in 2013 increased to \$29.4 million from \$20 million in 2012 (Table 12; Graph 7)<sup>3</sup>. The average value of a transaction reported to the FIU in 2013 as suspicious was \$56,000 compared to \$35,000 in 2012.

TABLE 12 | Total Value of Transactions Reported as Suspicious

	2009	2010	2011	2012	2013
Total Value (\$ million)	26.3	32.1	59.5	20.0	29.4
Number of STRs	750	629	728	579	522
Average Value reported (\$ per STR)	35,000	51,000	82,000	35,000	56,000

Source: Fiji FIU

GRAPH 7 | Total Value of Transactions Reported as Suspicious



Source: Fiji FIU

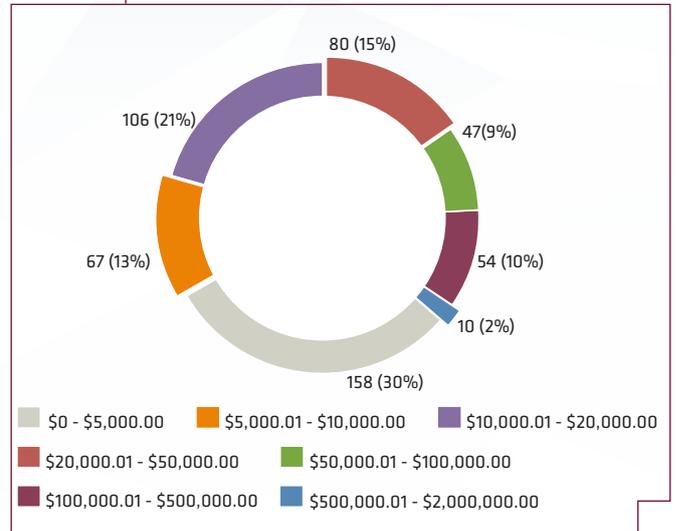
### Analysis of Suspicious Transactions by Transaction Value

There is no monetary threshold under the FTR Act for reporting suspicious transactions. Thus, any suspicious transaction must be reported to the FIU regardless of the amount involved in the transaction.

Previous trends indicate that suspicious transactions do not always involve substantial dollar amounts.

The majority (64 percent) of the STRs submitted by financial institutions in 2013 were reported on transactions below \$20,000, out of which 43 percent of the value of transactions reported were below \$10,000 (Graph 8).

GRAPH 8 | Transaction Value of STRs 2013



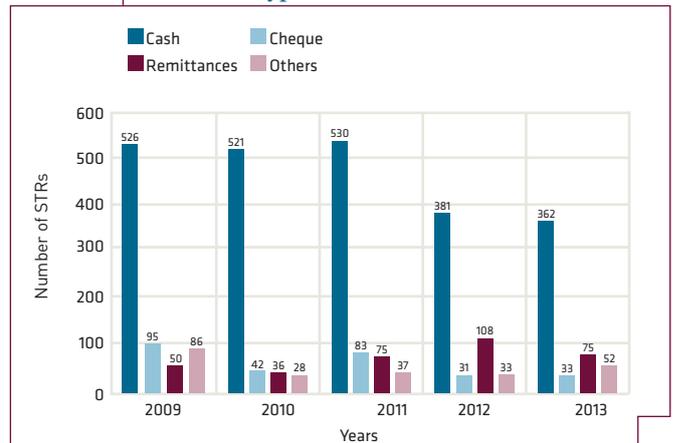
Source: Fiji FIU

Large value transactions of more than \$0.5 million reported in STRs were only 2 percent of total STRs reported in 2013.

### Analysis of Suspicious Transactions by Instrument Type

'Cash' continued to be the primary financial instrument type that is reflected in the STRs reported to the FIU in 2013. Out of the 522 transactions reported as suspicious in 2013, 362 (69 percent) involved cash transactions (Graph 9).

GRAPH 9 | Analysis of Suspicious Transactions by Instrument Type



Source: Fiji FIU

<sup>3</sup>The number of STRs reported and the funds that are involved in suspicious transactions do not necessarily indicate the size of money laundering activity in Fiji. However, these transactions have been subject to a greater level of scrutiny by reporting financial institutions and have been flagged and reported as questionable, unusual and suspicious transactions. The figure suggests money laundering symptoms, risk and vulnerabilities in Fiji.



The types of financial instruments involved in STRs include:

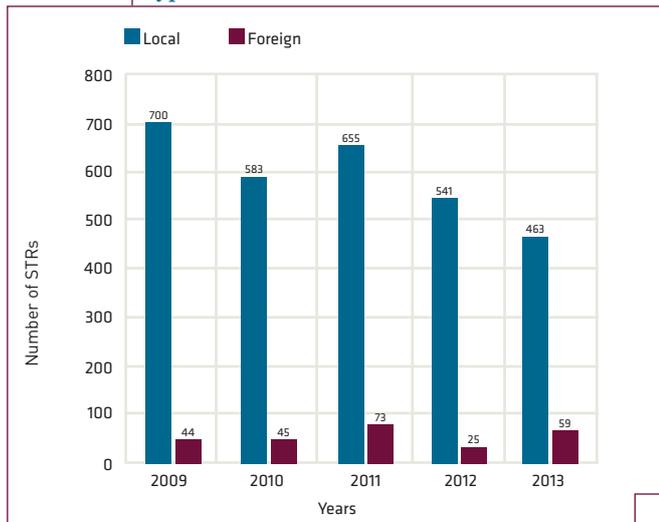
1. Cash (local and foreign currency);
2. Cheque (bank cheques/drafts, personal and company cheques);
3. Remittances; and
4. Other instruments (account-to-account transfers, credit cards and travelers cheques).

### Analysis of Suspicious Transactions by Currency Type

The majority (89 percent) of the STRs in 2013 involved Fiji currency (Graph 10).

The number of suspicious transactions that involved foreign currency in 2013 increased to 59 STRs (2012, 25 STRs).

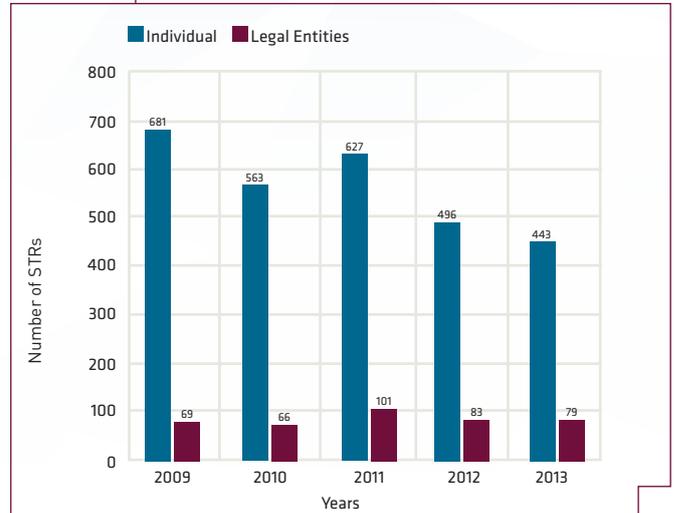
**GRAPH 10** Analysis of Suspicious Transactions by Currency Type



### Analysis of Suspicious Transaction Reports by Customer Type

There were 443 (85 percent) STRs reported on transactions conducted by individuals or personal customers and 79 (15 percent) by corporate or business entities in 2013 (Graph 11).

**GRAPH 11** Analysis of Suspicious Transactions by Customer Type

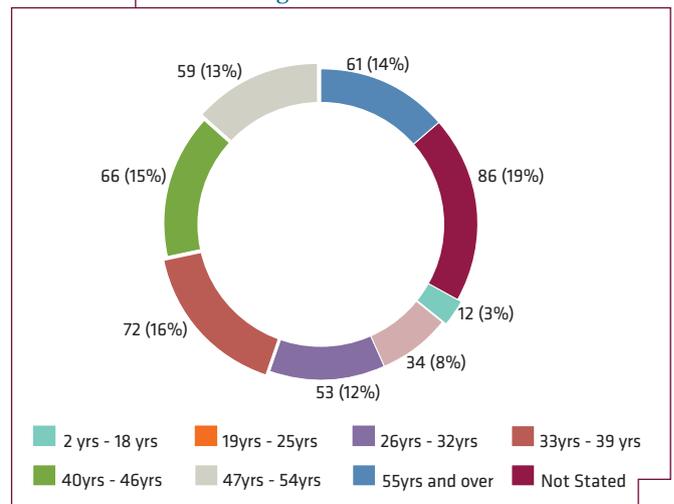


The number of STRs on legal entities such as companies in 2013 slightly decreased to 79 STRs (2012, 83 STRs). It was also noted that some of the transactions reported on individuals were indirectly linked to legal entities such as companies and sole proprietorships.

### Analysis of Suspicious Transaction Reports by Customer Age

36 percent of STRs on individuals were reported on customers over the age of 40 (Graph 12). 12 STRs were reported on minors (age between 2 years to 18 years) in 2013.

**GRAPH 12** Analysis of Suspicious Transaction Reports by Customer Age



Analysis of money laundering and proceeds of crime conviction cases showed the following in relation to the age bracket of the persons reported in the STRs (Table 13).

**TABLE 13** | Age of Convicted Money Launderers

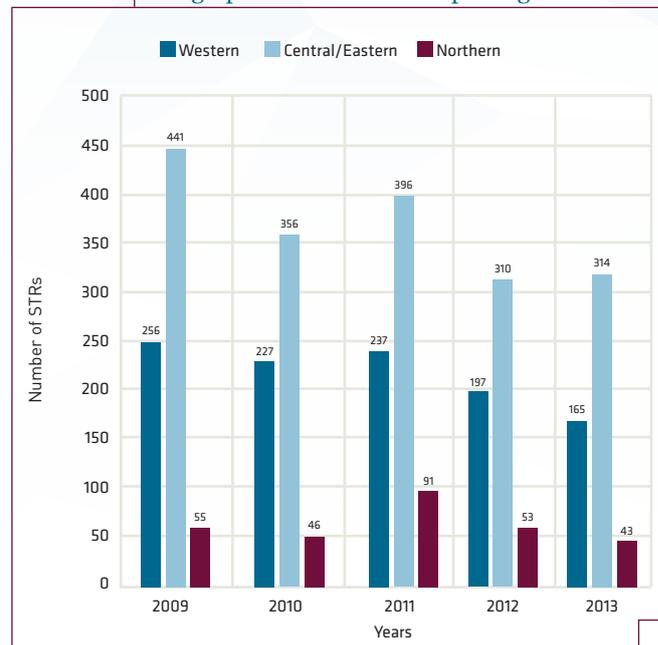
Name of Individual	Year STR was Reported	Age at the time of the offence
Mr. Timothy Aaron O'Keefe	2005	25 years old
Mrs. Monika Arora	2007	28 years old
Mr. Salendra Sen Sinha	2008	30 years old
Mr. Anand Kumar Prasad	2008	28 years old
Mr. Deo Narayan Singh	2008	40 years old
Mrs. Atisma Kirti Singh	2008	23 years old
Mr. Johnny Albert Stephen	2009	39 years old
Ms. Doreen Singh	2009	31 years old
Mr. Kapil Kushant Samy	2010	24 years old
Ms. Nirmala Devi	2011	46 years old
Name of Individual	Year of FIU assistance	Age at the time
Mr. Deepak Rajneel Kapoor	2008	25 years old
Mr. Robin Surya Subha Shyam	2010	38 years old
Mr. Faiyaz Khan	2013 <sup>4</sup>	38 years old

Source: Fiji FIU

### Analysis of Suspicious Transaction Reports by Geographical Location of Reporting Institutions

The FIU receives STRs from various commercial centres in Fiji. In 2013, the FIU received majority of the STRs from financial institutions based in the Central/Eastern Division (Graph 13). This is due to the fact that economic and commercial activities are largely concentrated in this division.

**GRAPH 13** | Analysis of Suspicious Transactions By Geographical Location of Reporting Institutions



Source: Fiji FIU

### Analysis of Reasons for Suspicious Reporting

A financial institution's decision to report a transaction as suspicious to the FIU may be based on a number of factors such as the:

- customer's usual occupation or business activity;
- customer's transaction history;
- income level and source of income of the customer;
- the complexity, frequency and size of transactions;
- customer's general background and profile (such as age, citizenship, etc).

These factors individually may seem insignificant but when considered together may raise questions on appropriateness and normality of customer's transaction(s).

The above-mentioned indicators can also be based on known money laundering typologies. Financial institutions are required under the FTR Act to know their customers in order to identify transactions that may be unusual, suspicious or questionable for an individual customer or a type or category of customer (Table 14).

<sup>4</sup>Year of conviction – FIU was not involved in the investigation of this individual.

**TABLE 14** | Examples of Reasons for Reporting Transactions as Suspicious

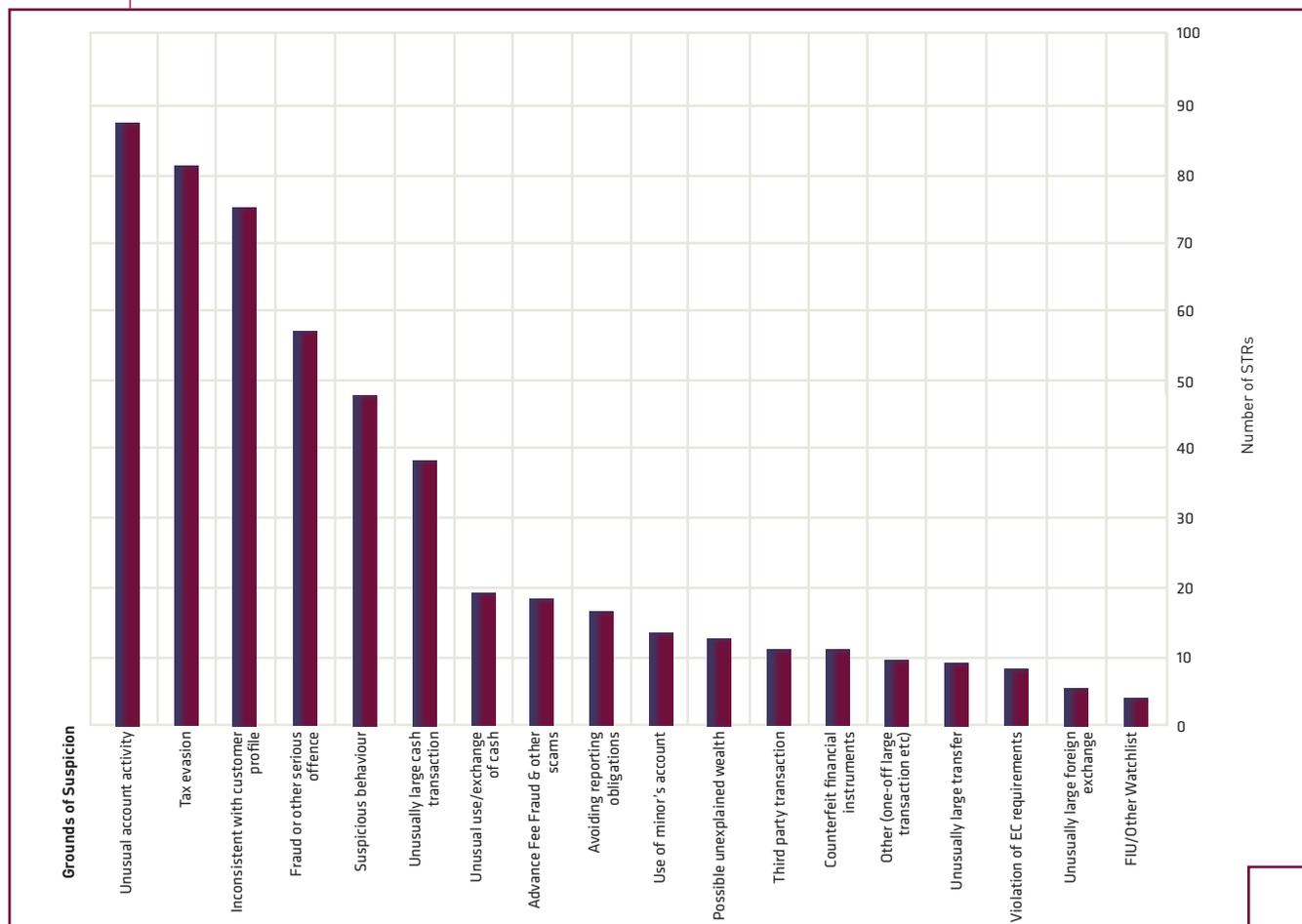
1. Customer deposited \$10,000 into personal account for legal fees.	11. Sends funds...through his family members....Funds are being sent to the same beneficiary in Nigeria.
2. Personal customer receiving large sum via telegraphic transfer. Further due diligence on the account revealed that customer is having some healthy balance in millions.	12. Sudden increase in salary by approx. FJD10K.
3. This gentleman has several properties in XX, Australia. Also a shareholder in Company X, owning substantial properties in Sigatoka and Nadi.....	13. Two Asian nationals came into .....branch to send telegraphic transfer to Vanuatu. She had USD20,000 hard cash.
4. Frequent large cash deposits into her account. Customer is unemployed and according to information received from the depositor, a 3rd party, this \$9,000 cash deposit is meant for some business transaction.	14. Affidavits of certain individuals....they have been taking money out of Fiji in forms of cash and travellers cheques.
5. After verifying the account statement, it was revealed that account is valid however the transactions history is entirely invalid.	15. Customer was using his child's money zone account for his rental and tax income.
6. Large sum received in old notes.	16. Possible fraudster. Customer is an ex staff of Government Agency X and tricks people into depositing funds into her personal account, promising them XXX permit.
7. No bank statement nor any cash flow was disclosed by the applicant during the processing of the application. Hard cash was brought upfront.	17. This is suspicious as why would a parent company in XXX send a large deposit to a staff's personal account and not to the business account.
8. Customer is rated high risk based on allegations related to money laundering.	18. Looks like the applicant is sending money on behalf of the person who accompanied him.
9. After closely verifying the note, it was confirmed to be a counterfeit \$100 bill.	19. Customer sending money to Country X, she is a salesperson and the name of receiver does not match as a close friend or family member.
10. Picked by our transaction monitoring system...Concern: The amounts received through cash deposits amounting to \$145,000.	20. Deposit was for Company X and customer was not willing to declare the funds upon asking the source of funds.

Source: Fiji FIU

In 2013, majority (17 percent or 87) of the STRs were reported on the grounds that there was unusual account activity i.e.

the transactions did not match the usual conduct of that particular account (Graph 14).

**GRAPH 14** | Grounds for Suspicion on STRs Received 2013



Source: Fiji FIU

### Additional Reporting of Suspicious Transactions

Financial Institutions are required under section 7 of the FTR Act to report to the FIU as a STR attempted transactions on customers who are unable to produce satisfactory evidence of their identity.

Under section 15 of the FTR Act, a supervisory authority or an auditor of a financial institution is required to report to the FIU any transaction or attempted transaction that may be related to the commission, investigation, prosecution of a money laundering offence, serious offence, terrorist financing offence or the enforcement of the Proceeds of Crime Act.

The FTR Act also requires every individual in Fiji to disclose to the FIU:

- The existence of any property in his or her possession or control, which to his or her knowledge, is terrorist property, or for which there are reasonable grounds to suspect is terrorist property;
- The existence of any property in his or her possession or control, owned or controlled by or on behalf of a specified entity or for which there are reasonable grounds to suspect is owned or controlled by or on behalf of a specified entry;
- Any information regarding a transaction or proposed transaction in respect of terrorist property; or
- Any information regarding a transaction or proposed transaction for which there are reasonable grounds to suspect that it may involve terrorist property.

Any individual or body corporate that violates this provision commits an offence and is liable on conviction; for an individual the penalty is for a fine not exceeding \$30,000 or to an imprisonment term no exceeding 5 years or both. For a body corporate, the penalty fine can be up to \$150,000.

The non-disclosure provision of the FTR Act stipulated in section 18 restricts a financial institution, its officers, employees or agents or any other person from disclosing to any person that a report has been submitted under the Act to the FIU. Section 18.2 provides exemptions for certain cases.

The protection of persons reporting suspicious transactions is covered under section 20 of the FTR Act. This provision protects any financial institution, auditor, supervisory authority and its employees from any civil, criminal or disciplinary proceedings when reporting transactions under the Act in good faith or in compliance with directions given by FIU.

### STRATEGIC ANALYSIS

#### What is Strategic Analysis?

The FIU continued to undertake strategic analysis to understand the patterns and trends on Suspicious Transaction Reports, money laundering and related issues. It has enabled the FIU to draw conclusions for the strategic prevention of money laundering and the financing of terrorism in Fiji, to provide input for policy formulation and for setting operational priorities. Strategic Analysis has also assisted the FIU to develop knowledge (strategic intelligence) relating to money laundering, the financing of terrorism and other threats to the security of Fiji's financial systems. During 2013, the FIU used some components of strategic analysis provided in diagram.

#### Diagram

#### Components of FIU Strategic Analysis



The products of strategic analysis have provided guidance to develop FIU policies. An example of FIU's strategic analysis product is "Typologies and Trends". This output has enabled the FIU to understand how money was laundered, which in turn has increased the general understanding of the issues and methods of money laundering and predicate crimes in Fiji. The FIU has also developed other strategic analysis outcomes that include the products in the diagram.

## Diagram

### Products of FIU Strategic Analysis

#### PRODUCTS OF STRATEGIC ANALYSIS

Patterns

Synthesis

Geographical/  
Regional Analysis

Behavioral  
Analysis

Activity Analysis

Advanced  
Intelligence  
Products

In 2013, the FIU recognized the need to further develop and strengthen the strategic analysis process. The development of this process will revolve around the following objectives:

- establish a common understanding of 'strategic analysis' based on international standards and best practices;
- differentiate strategic analysis from other types of analyses;
- present different types of strategic analysis products used by the FIU; and
- discuss the benefits of using or producing a more comprehensive strategic analysis for the FIU.

The benefits of FIU's new approach to strategic analysis would enable better understanding of current and future events and therefore, align FIU's decisions with the overall direction as provided under the FTR Act.

FATF Recommendation 29 on the establishment of an FIU states "the sophistication of strategic analysis may vary based on the capacity and resources of the FIU". Therefore, FIU's new strategic analysis model will be based on the size and nature of the FIU, the overall crime situation in Fiji, the products and services offered within Fiji's financial system and the level and nature of vulnerability and risk associated with money laundering and financing of terrorism.

### CASE STUDY 2 University Student Receiving Large Telegraphic Transfers

A STR was reported on a university student, Person A, who received two large international remittances totaling FJ\$76,624 from unrelated overseas based individuals and companies to her personal bank account.

- The first international remittance of FJ\$4,495 was remitted into Person A's bank account from one Person B in Australia. On the same day, Person A withdrew the exact amount and two days later, remitted FJ\$3,880 to one Person C in South Africa.
- The second international remittance of FJ\$72,128 was remitted into Person A's bank account from a Company D in Australia. On the same day, Person A withdrew FJ\$10,000 cash and transferred FJ\$40,000 to her mother's bank account. Person A continued to remit funds to Person C in South Africa. Investigations revealed that the funds were sent from Company D's bank account without proper authorization.
- A third international remittance of US\$8,750 was about to be remitted from Person E in Australia to Person A's bank account. However this remittance was stopped because the local commercial bank

received a message that the sending customer's email was hacked and funds were sent without proper authorization.

Investigations revealed that Person A was communicating with an individual via Facebook whom she provided her account details and received instructions on the funds sent into her bank account.

#### Possible Offence:

- Money Laundering.
- Theft

#### Indicators:

- Account activity does not match the profile of the customer - The customer's stated occupation was university student, therefore she did not have a declared source of income.
- Large international remittances from unrelated entities.

## Money Laundering Trends

### Emerging Trends

**Currency smuggling (including issues of concealment & security)** - A number of Border Currency Reporting cases were identified whereby travellers have failed to declare cash of \$10,000 and above when arriving or departing Fiji. This is a requirement under the FTR Act.

### Declining Trends

**Use of false identification** - The FIU has noted a decrease in the number of cases involving fake identification cards such as passports, birth certificates. This is due to some recent measures undertaken by the relevant authorities in Fiji.

### Continuing Trends

**Use of nominees, trusts, family members or third parties** - In 2013, the FIU noted that funds obtained through impersonation and cybercrime cases were mainly deposited into the bank accounts of third parties.

## Money Laundering Cases: Success Stories In Fiji

### Senior Tax Officer in False VAT Refund Scheme

Between March 2008 and September 2010, Mr. Robin Shyam, a 36 year old tax assessor at FRCA, approved fraudulently generated tax refunds totaling \$350,000.

As an assessor at the Inland Revenue Department for FRCA, his work involved assessing various types of income tax returns, checking data input and approving refunds of income tax to business and personal tax payers.

The Police found that Mr. Shyam had forged the supporting documents for some tax refund applications and had removed these documents from the offices of FRCA without authority.

The tax refunds were made payable to nine of Mr. Shyam's friends who had provided their bank account details to him. Mr. Shyam had informed his friends that he was owed money but did not want his wife to know. When the tax refunds were paid to the bank accounts of Mr. Shyam's friends, they withdrew the cash and gave it to him.

Refer to FIU website [http://www.fijifiu.gov.fj/CaseLaws\\_2013.aspx](http://www.fijifiu.gov.fj/CaseLaws_2013.aspx).

## Cash Transaction Reports

Financial institutions are required under section 13(1) of the FTR Act and section 25 of the FTR Regulations to report to the FIU any cash transaction of \$10,000 and above or its equivalent in foreign currency. Cash includes coin or paper money; bank drafts, bank cheques, bearer bonds, travelers cheques, postal notes and money orders.

The FIU received 380,430 cash transaction reports (CTR) in 2013 or an average of 31,703 CTRs per month (Table 15; Graph 15). This is an increase of 90 percent from 2012. The large increase in CTRs received in 2013 was due to submission of backdated reports as part of the FIU's reporting compliance and data quality project.

TABLE 15 | Cash Transactions Reported

	2009	2010	2011	2012	2013
Total CTRs	132,547	133,487	144,191	200,404	380,430
Monthly Average CTRs	11,046	11,124	12,016	16,700	31,703

Source: Fiji FIU

### CASE STUDY 3 Suspicious Remittances to Senior Officers

A STR was reported on an individual, Person A, who received two international remittances of \$7,500 each sent on the same day from the same sender, Person B, in Australia.

Profiling of the sender in Australia, Person B, revealed that the sender was 58 years old and a frequent traveler to Fiji. In addition to the two remittances sent to Person A, Person B had also sent suspicious remittances to Senior Officers of an organization in Fiji. Although the amounts sent to some of these individuals were not that significant, the purpose of the remittances were unusual and required further investigation.

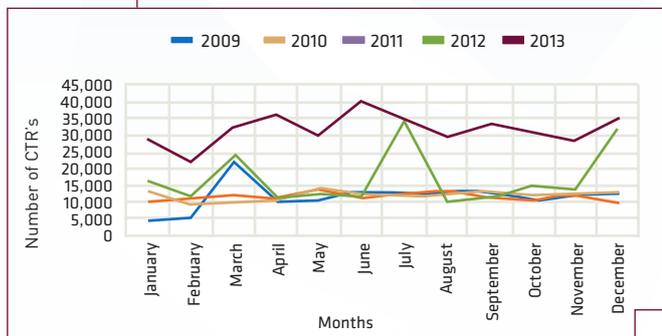
#### Possible Offence:

- Money Laundering.
- Corruption

#### Indicators:

- Senior officials receiving varied amounts from the same individual.
- Remittances were received through a money remittance service provider instead of sent to their personal bank accounts.
- The beneficiaries that received large amounts collected the remittances in cash.

**GRAPH 15** Monthly Cash Transaction Reports



Source: Fiji FIU

The majority (99 percent) of the CTRs received during 2013 were reported by commercial banks (Table 16).

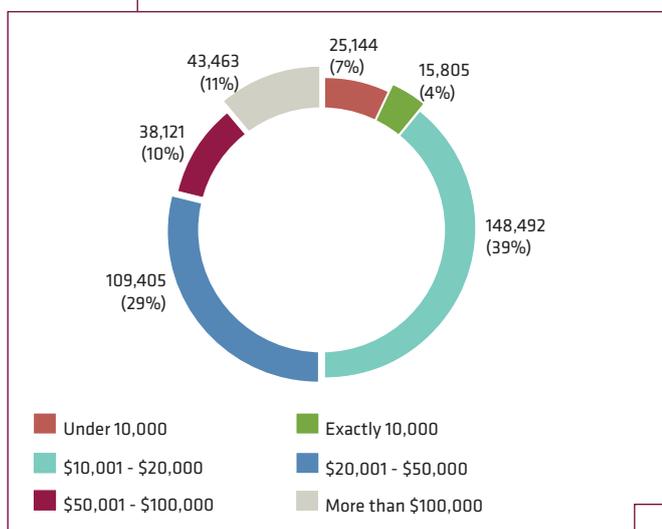
**TABLE 16** Cash Transactions Reported by Sector

Sector	Total CTRs
Commercial Banks	376,564
Finance Exchange Dealers & Money Remitters	2,387
Finance Companies	708
Insurance & Superannuation Fund	657
Law Firms	84
Securities/Brokers/ Advisors	30
<b>Total</b>	<b>380,430</b>

Source: Fiji FIU

The majority (39 percent) of CTRs received by the FIU were for cash transactions between \$10,001 and \$20,000 (Graph 16).

**GRAPH 16** Transaction Value of CTRs



Source: Fiji FIU

## Electronic Fund Transfer Reports

Commercial banks and remittance service providers are required under section 13(2) of the FTR Act and section 26 of the FTR Regulations to report to the FIU all international electronic fund transfer transactions. There is no monetary threshold for electronic fund transfer reports (EFTR).

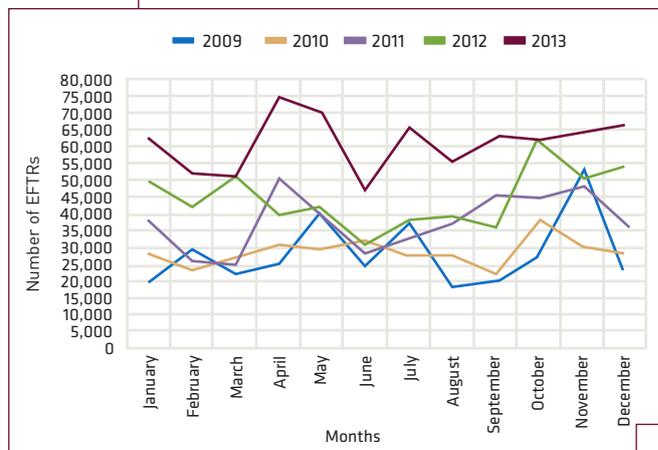
The FIU received 1,147,728 EFTRs in 2013 or an average of 95,644 CTRs per month (Table 17; Graph 17). This is an increase of 38 percent from 2012. The large increase in EFTRs received in 2013 was due to submission of backdated reports as part of the FIU's reporting compliance and data quality project.

**TABLE 17** Electronic Fund Transfer Transactions Reported

	2009	2010	2011	2012	2013
Total EFTRs	303,380	315,634	450,849	830,959	1,147,728
Monthly Average EFTRs	25,282	26,303	37,570	69,247	95,644

Source: Fiji FIU

**GRAPH 17** Monthly Electronic Fund Transfer Reports



Source: Fiji FIU

The majority (73 percent) of EFTRs were received from the money remittance service providers (Table 18; Graph 18).

**TABLE 18** EFTRs Reported by Sector

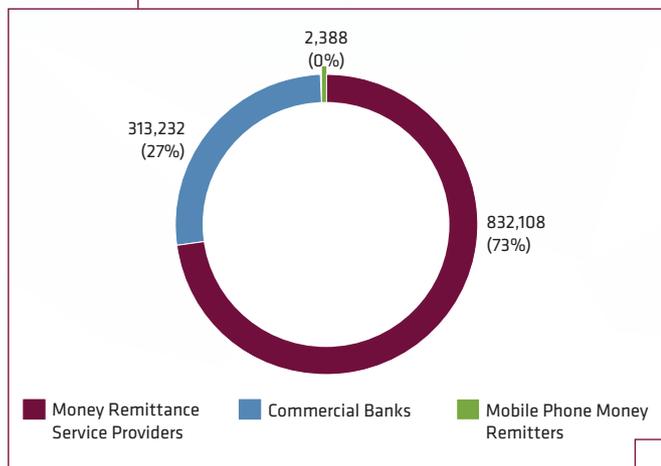
Sector	Total EFTRs
Money Remittance Service Providers	832,108
Commercial Banks	313,232
Mobile Phone Money Remitters	2,388
<b>Total</b>	<b>1,147,728</b>

Source: Fiji FIU

Three reporting financial institutions reported back-dated EFTRs totaling 423,891 during June to December 2013. This is a one-off increase and has not been reflected in Graph 17.

Inward and outward international remittance transactions reported to the FIU involved the following five major countries: Australia, United State of America, New Zealand, United Kingdom and Canada (Graph 20-21).

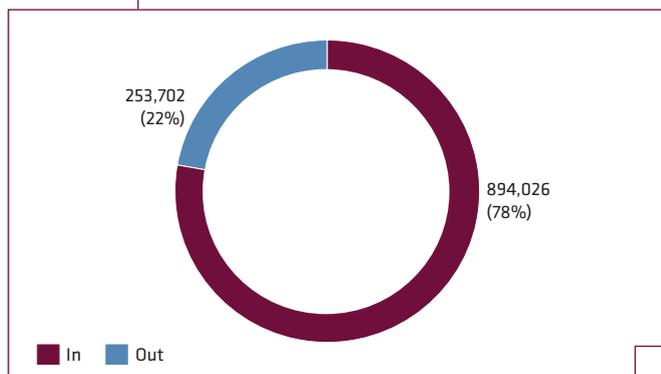
**GRAPH 18** EFTRs Received by Sector



Source: Fiji FIU

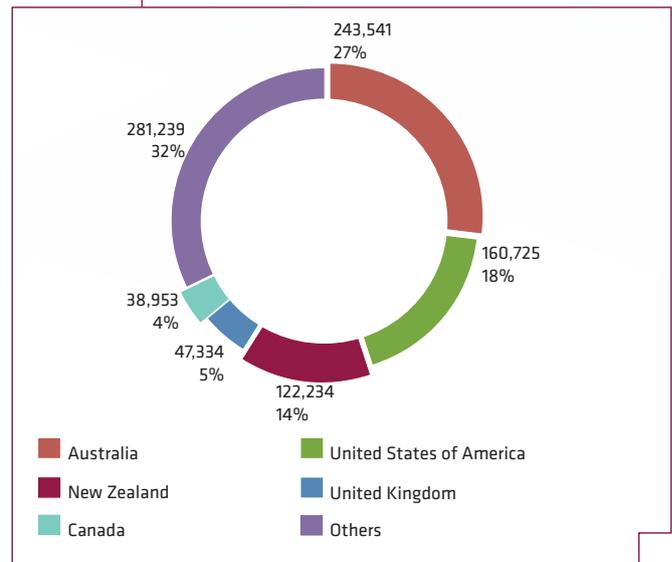
EFTRs may involve remittances into Fiji (inward) or remittances out of Fiji (outward). The majority (78 percent) of EFTRs received during 2013 were for inward remittances (Graph 19).

**GRAPH 19** Direction of EFTRs Received



Source: Fiji FIU

**GRAPH 20** EFTRs: Countries Involved in Inward Remittances to Fiji<sup>5</sup>

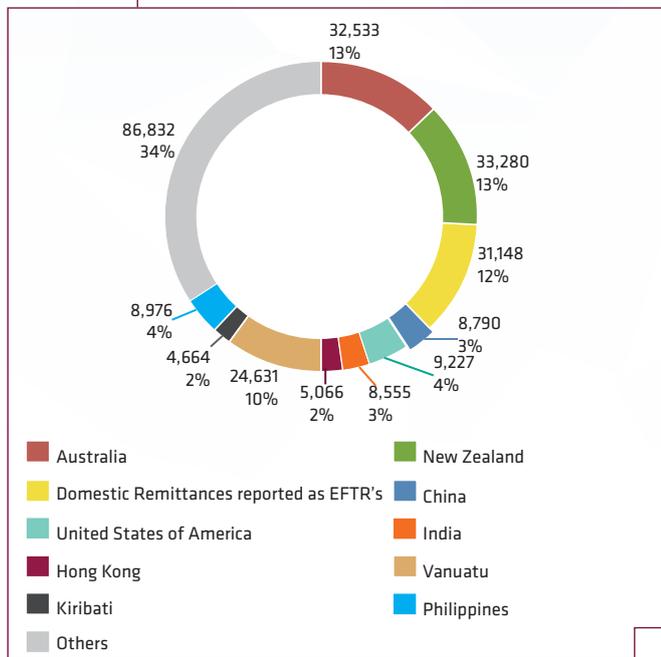


Source: Fiji FIU

<sup>5</sup>Others includes Timor Leste, Germany, Kiribati, Cyprus, Lebanon, Denmark, Mexico, Guam, Russian Federation, Argentina, Costa Rica, Korea, Slovakia, Chile, Bangladesh, Congo, Puerto Rico, Guinea Bissau, Serbia Montenegro, Iceland, Zimbabwe, Kyrgyzstan, Niger, France, Singapore, Japan, Brazil, China, Indonesia, Cambodia, Hungary, Senegal, Mauritania, Brunei Darussalam, Mali, Jamaica, Barbados, Nepal, Saint Lucia, Colombia, Mozambique, Congo, Dem Republic Burundi, Angola, Spain, Thailand, Liberia, Malaysia, Kenya, Latvia, Trinidad Tobago, Israel, Sri Lanka, Czech Republic, Haiti, Macau, Turkey, Kazakhstan, Rwanda, Malawi, Saint Kitts Nevis, Morocco, Solomon Islands, Philippines, Jersey, Netherlands, PNG, Portugal, Panama, Kuwait, Belgium, Cote D Ivoire, South Africa, Maldives, Lao People Democratic Rep, Ghana, Georgia, ST Vincent, Grenadine, Togo, Chad, New Zealand, Australia, Taiwan, Sweden, Hong Kong, Tonga, Aruba, Mauritius, India, Saudi Arabia, Nigeria, Gibraltar, Romania, Pakistan, Vietnam, Bahrain, El Salvador, Zambia, Guatemala, Peru, Ecuador, Sierra Leone, Cameroon, Belize, UK, South Korea, Ireland, Bermuda, Switzerland, Italy, Norway, Greece, Finland, Bahamas, Malta, Poland, Libya, Gabon, Guyana, Uruguay, Lithuania, USA, Canada, Vanuatu, Cook Islands, New Caledonia, Marshall Islands, Qatar, Oman, Austria, Niue, Monaco, Bulgaria, Estonia, Slovenia, Uganda, Mongolia, Liechtenstein, Vatican City State, UAE, Samoa, American Samoa, Tuvalu, Afghanistan, Jordan, Iraq, French Polynesia, Luxembourg, Cayman Islands, Tanzania, Isle Of Man, Egypt, Benin, Dominican Republic, Yemen, Republic Albania.



**GRAPH 21** EFTRs: Countries Involved in Outward Remittances from Fiji<sup>6</sup>



Source: Fiji FIU

<sup>6</sup>Others include Kiribati, Bangladesh, Germany, Guam, Congo, Zimbabwe, Denmark, Korea, Nicaragua, Timor Leste, Lebanon, Micronesia, Russian Federation, Cyprus, Chile, Guernsey, Kyrgyzstan, Mexico, Serbia, Montenegro, Slovakia, Niger, Guinea Bissau, Gambia, Puerto Rico, Argentina, Nauru, Singapore, China, Japan, Brazil, Ethiopia, Indonesia, France, Cambodia, Senegal, Brunei Darussalam, Bosnia, Herzegovina, Burundi, Bhutan, Barbados, Nepal, Hungary, Colombia, Northern Mariana IS, Ukraine, Moldova, Jamaica, Saint Lucia, Israel, Sri Lanka, Malaysia, Thailand, Spain, Czech Republic, Haiti, Macau, Turkey, Morocco, Kenya, Malawi, Sao Tome Principe, Cocos Keeling IS, Cuba, Liberia, Latvia, Lesotho, Honduras, Trinidad Tobago, PNG, South Africa, Netherlands, Philippines, Solomon Islands, Panama, Kuwait, Belgium, Western Sahara, Lao People Democratic, Jersey CI, Cote D Ivoire, Togo, Portugal, Reunion, Ghana, Chad, Georgia, Maldives, New Zealand, India, Australia, Hong Kong, Tonga, Taiwan, Pakistan, Vietnam, Nigeria, Zambia, Cameroon, Mauritius, Sierra Leone, Palau, Ecuador, Gibraltar, Sweden, Peru, Romania, Guatemala, Belize, Myanmar, Sudan, Saudi Arabia, Antigua Barbuda, Bahrain, Syria, UK, Italy, Switzerland, South Korea, Ireland, Bermuda, Norway, Netherlands, Antilles, Poland, Anguilla, Finland, Malta, Seychelles, Guyana, Burkina Faso, Armenia, Bahamas, Madagascar, Greece, Uruguay, Botswana, Belarus, Lithuania, Libya, USA, Vanuatu, Cook Islands, Canada, Marshall Islands, New Caledonia, Mongolia, Austria, Bulgaria, Niue, Uganda, Namibia, Monaco, Qatar, Liechtenstein, Estonia, Oman, Cape Verde, Tunisia, Tuvalu, Samoa, Egypt, Luxembourg, French Polynesia, UAE, Afghanistan, Iraq, Isle Of Man, American Samoa, Benin, Jordan, Dominican Republic, Albania, Yemen Republic, Tanzania, Guinea, Cayman Islands.

## Border Currency Reports

All travelers coming into Fiji or going out of Fiji are required to declare if they are carrying currency or negotiable bearer instruments of \$10,000 or more (or its equivalent in foreign currency).

Travelers are required to make a declaration in the first instance on the arrival or departure cards and then fill out a Border Currency Report (BCR) form which is available at all ports of entry and exit in Fiji. The completed BCRs are collected by Customs FRCA officials at the ports and submitted to the FIU for central recording, analysis and for its intelligence purpose.

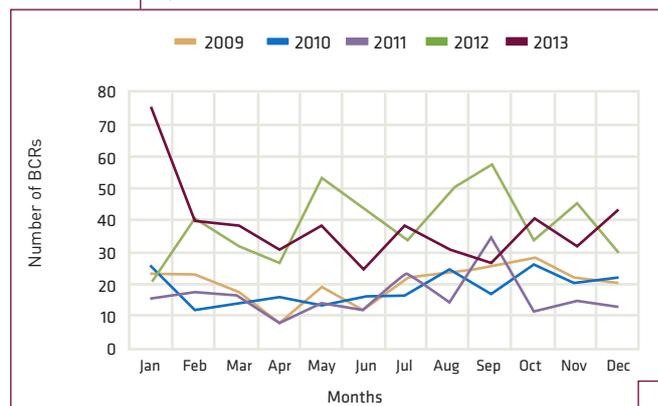
In 2013, 459 BCRs were submitted to the FIU compared to 477 BCRs in 2012 (Table 19; Graph 22).

**TABLE 19** Border Currency Reports Received

Persons Declaring	2009	2010	2011	2012	2013
Declarations made by inbound travelers	139	119	93	117	141
Declarations made by outbound travelers	105	104	101	360	318
<b>Total</b>	<b>244</b>	<b>223</b>	<b>194</b>	<b>477</b>	<b>459</b>

Source: FRCA & Fiji FIU

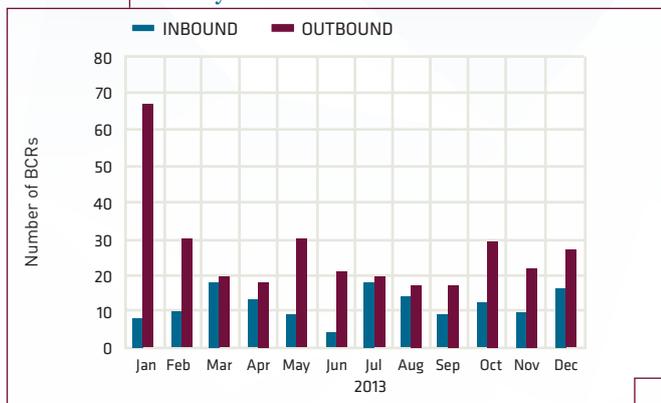
**GRAPH 22** Comparison of Declaration Made by Travelers by Month



Source: Fiji FIU

There were more declarations made by outbound travelers compared to inbound travelers in 2013 (Graph 23).

**GRAPH 23** Declaration of Border Currency by Travelers in 2013 by Direction of Movement



Source: Fiji FIU

The FIU together with FRCA have placed BCR posters at the Nadi international airport, and there is now more awareness of the declaration requirements.

The total value of currency declared by travelers in the BCRs in 2013 was \$22.1 million compared to \$14.6 million in 2012 (Table 20).

**TABLE 20** Value of Border Currency Reports Received

Persons Declaring	Value of Currency Declared (F\$ million)				
	2009	2010	2011	2012	2013
Travelers Arriving in Fiji	4.2	3.9	3.0	3.9	6.7
Travelers Departing Fiji	3.8	4.0	3.2	10.7	15.4
<b>Total</b>	<b>8.0</b>	<b>7.9</b>	<b>6.2</b>	<b>14.6</b>	<b>22.1</b>

Source: FRCA & Fiji FIU

Failure to declare currency at the border is an offence under the FTR Act. If convicted, a person is liable to a fine of up to \$60,000 or imprisonment of a maximum of 10 years or both. There were 16 cases of persons brought before the court for failing to declare currency in 2013 (Table 21).

#### CASE STUDY 4 Significant Cash Flow for Related Businesses

The FIU received reports on three related companies on the grounds that there were large and unusual cash deposits conducted on the business bank accounts. The nature of business for each company was as follows:

- Company A - Restaurant;
- Company B - Nightclub and restaurant; and
- Company C - Property management/Real Estate.

All of the companies were cash intensive businesses. Checks conducted by the FIU revealed that these companies were registered for tax but were not declaring their revenue earned.

Analysis of the business bank accounts revealed a total of FJ\$6.5 million being deposited into the three business bank accounts since 2009.

**Possible Offence:**

- Money Laundering.
- Tax Evasion

**Indicators:**

- Intensive cash flow does not match nature of business.

#### CASE STUDY 5 Businessman Diverts Funds to Children's Accounts

Person X, a sole trader, operating two companies was the principal trustee of his daughters' bank accounts, Person A and Person B. Analysis of these accounts revealed regular cash deposits that appeared to be rental income.

Within two years, a total of \$3.4 million was deposited into four bank accounts that he maintained including the bank accounts of his daughters.

**Possible Offence:**

- Money Laundering
- Tax Evasion

**Indicators:**

- Account activity does not match the profile of the customer - the accounts of minors were used to deposit rental income.

TABLE 21 Failure to Declare Currency Cases 2013

DATE OF TRAVEL	DETAILS	AMOUNT FAILED TO DECLARE	DATE OF CONVICTION	JUDGMENT IN COURT
04/01/2013	Passenger was travelling to Thailand via South Korea	US\$5,500, AU\$165, NZ\$620 & FJ\$97	9/01/2013.	Fined \$100
25/03/2013	Passenger was travelling to New Zealand	FJ\$30,770, NZ\$5,420, AU\$20	02/04/2013 & 12/07/2013	Fined \$7,500
02/08/2013	Passenger arrived into Fiji from Sydney	AU\$9,695, US\$400, SING21,526, HK\$9,700, THAI3,000 & YUAN100	05/08/2013	Fined \$2,000
27/09/2013	Passenger arrived from Seoul	US\$80,000	08/10/2013	Fined \$5,000
08/10/2013	Passenger was traveling to Port Vila, Vanuatu	US\$10,712, AU\$1,380 PNG1,275, IND7,800, JAP YUEN 35,000 & FJ\$155	14/10/2013	Fined \$7,500
06/10/2013	Passenger arrived from Apia, Samoa on his way to Port Vila, Vanuatu	FJ\$10,000	08/10/2013	Fined \$2,500
11/10/2013	Passenger arrived from Tuvalu	FJ\$22,000	22/10//2013	Fined \$800
16/10/2013	Passenger was traveling to South Korea	US\$21,603	18/10/2013	Fined \$10,000
16/10/2013	Passenger was traveling to South Korea	US\$25,800, 500 Yuen, FJ\$295	21/10/2013	Fined \$10,000
23/10/2013	Passenger arrived from Samoa on transit to China	US\$9,801 & 622 Chinese yuan	28/10/2013	Fined \$4,500
29/10/2013	Passenger was traveling to Tuvalu	AU\$10,650, FJ\$2,103.10, US\$5,145	30/10/2013	Fined \$300
06/11/2013	Passenger arrived from Korea	US\$11,311, 2,720 Chinese yuan, Euro5	07/11/2013	Fined \$2,500
01/12/2013	Passenger arrived from Kiribati	AU\$3,128, US\$5,000, 460, 000 Japanese Yen, 4500 French Francs = FJ\$33,906.85	04/12/2013	Fined \$1,000
01/12/2013	Passenger arrived from Honiara, Solomon Islands on transit to Melbourne, Australia	AU\$15,360, US\$2,082, \$1,350 Solomon Island dollars = FJ\$31,760.75	04/12/2013	Fined \$1,000
27/12/2013	Passenger arrived from Honiara, Solomon Islands	USD \$ 18,011.00 = FJD 32,434.72; SBD \$ 410.00 = FJD 101.4	30/12/2013	<b>TOTAL Amount Involved for these two cases \$76,648.58. Case with Border Police for further investigation</b>
27/12/2013	Passenger arrived from Honiara, Solomon Islands	AUD \$ 21,260.00 = F\$34,163.59; EUR \$ 3,640.00 = F8,526.58; CAD \$ 5.00 = F8.39; HKD \$ 3,940.00 = F865;SGP \$ 23.00 = 29.25; CHY \$ 1,937.50 = F519.65 & FJD \$ 180.00	30/12/2013	

## BCR Case Study 1 State v Fan Wang (Criminal Case No. 946 of 2013)

### Magistrates Court of Nadi

On 27 September 2013, Ms. Fan Wang arrived into Fiji at Nadi International Airport for a holiday. The customs officer at the airport noticed that Ms. Fan Wang was avoiding eye contact and taking time to answer questions. When another customs officer searched her luggage, there were four bundles of 100 x USD\$100 underneath the clothes and also there were four bundles of 100 x USD\$100 in another suitcase. Ms. Fan Wang failed to declare US\$80,000.

Ms. Fan Wang was produced at the Nadi Magistrates Court and she pleaded guilty for contravening the BCR reporting requirements. The accused was ordered to pay a fine of \$5,000.00 and the cash seized was released to the accused.

## BCR Case Study 2

### Magistrates Court of Nadi

On 6 October 2013, Ms. Shen Jiang Pang arrived into Fiji at Nadi International Airport from Samoa on transit to Port Villa, Vanuatu. The customs officer at the airport grew suspicious when during questioning, Ms. Shen Pang mentioned that she would stay at an expensive hotel in Suva. When another customs officer searched her luggage, there were four bundles of cash amounting to USD\$16,800.00 in the zip compartment of the laptop bag. Ms. Fan Wang failed to declare US\$16,000.

Ms. Shen Jiang Pang was produced at the Nadi Magistrates Court and she pleaded guilty for contravening the BCR reporting requirements. The accused was ordered to pay a fine of \$2,500.00 and the cash seized was released to the accused.

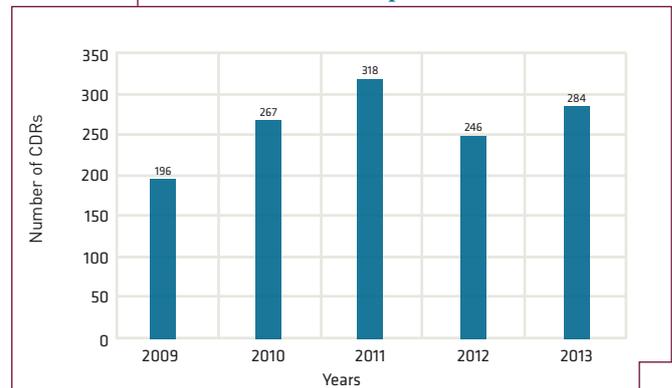
## Case Dissemination Reports to Law Enforcement Agencies

The FIU analyses suspicious transactions and other financial transaction information received from financial institutions and develops intelligence. The FIU then disseminates intelligence to relevant law enforcement agencies for their formal investigations. The investigations may be linked to suspected proceeds of crime, money laundering and other serious offences.

Case dissemination reports (CDR) refer to the case reports developed from STRs that are disseminated to law enforcement agencies for their further investigations.

In 2013, 284 CDRs were referred to law enforcement agencies compared to 246 CDRs in 2012 (Table 22; Graph 24)<sup>7</sup>. The CDRs were developed from STRs received in 2013 and prior to 2013.

GRAPH 24 Case Dissemination Reports 2009-2013



Source: Fiji FIU

<sup>7</sup>Due to strict confidentiality requirements, this annual report does not discuss details of cases currently being investigated or prosecuted as a result of the FIU's intelligence. Cases that involved proceeds of crime that were subject to monitoring, restraining, confiscation or forfeiture orders as a result of FIU's intelligence are also not mentioned in this report. Convictions of money laundering and proceeds of crime cases have been published as case studies.

**TABLE 22** Case Dissemination Reports to Law Enforcement Agencies

Law Enforcement Agency & Reason for Dissemination	2009	2010	2011	2012	2013
<b>FRCA- Inland Revenue Services</b> Possible violations under the Income Tax Act and VAT Decree.	143	125	195	168	176
<b>Fiji Police Force</b> Possible violations under the Proceeds of Crime Act and serious offences under the Crimes Decree.	37	44	89	61	58
<b>Immigration Department</b> Possible violations under the Immigration Act and Passport Act.	3	1	6	4	0
<b>FRCA-Customs Division</b> Possible violations under the Customs Act.	2	0	4	0	19
<b>Transnational Crime Unit</b> Possible criminal involvement of foreign individuals and business entities; involvement of regional or international organised crimes.	7	83	15	8	9
<b>Others<sup>8</sup></b>					
<b>RBF</b> Possible violations under the Exchange Control Act.	4	14	9	5	22
<b>Foreign LEAs</b>					
<b>Total</b>	<b>196</b>	<b>267</b>	<b>318</b>	<b>246</b>	<b>284</b>

Source: Fiji FIU

As in previous years, majority (62 percent) of the CDRs in 2013 were disseminated to FRCA. Intelligence that is developed from a single STR is sent in some instances to more than one law enforcement agency as it may involve suspected violations of various laws.

The FIU also, after detailed analysis, filed away 673 STRs during 2013 for future intelligence references compared to 305 STRs in 2012. STRs are filed away for future intelligence references and analysis, if after analysis and intelligence gathering, the FIU is able to reasonably conclude that the transaction or information does not involve a money laundering or other serious offence.

<sup>8</sup>Other Law Enforcement Agencies include the Reserve Bank of Fiji and foreign law enforcement agencies.

## Advice to Financial Institutions

### Alert Notices to Financial Institutions

The FIU issues Alert Notices to financial institutions, in order to protect the financial system from being used by adversely reported individuals and business entities. An Alert Notice contains information on adversely reported individuals and/or business entities that require enhanced due diligence and scrutiny by financial institutions.

Due to the sensitivity and confidentiality of the Alert Notice, financial institutions are advised to circulate the Alert Notices internally with caution.

There were eight such Alert Notices issued by the FIU in 2013.

The Alert Notices issued in 2013 were related to stolen \$100 new design currency notes, emerging scams that financial institutions should be aware of and updates to the International Watchlists (Table 23).

**TABLE 23** Alert Notices Issued 2013

Date	Alert Notice Number	Issued To	Details
11/01/2013	1/2013	Commercial banks	Stolen \$100 new design currency notes
11/02/2013	2/2013	All financial institutions	UN Security Council-terrorist watch list
21/02/2013	3/2013	Commercial banks and money remittance service providers	Possible Advance Fee Fraud
21/03/2013	4/2013	All financial institutions	UN Security Council-terrorist watch list
12/06/2013	5/2013	Commercial banks and money remittance service providers	Possible Advance Fee Fraud
18/07/2013	6/2013	All financial institutions	UN Security Council-terrorist watch list
24/07/2013	7/2013	Commercial banks and money remittance service providers	Possible Advance Fee Fraud
29/08/2013	8/2013	Commercial banks and money remittance service providers	Use of Fake American Express Travellers Cheques

Source: Fiji FIU

## Directives to Financial Institutions

The FIU has powers under section 25 (1) (h) of the FTR Act to issue directives to financial institutions to take appropriate steps in relation to any information or report received by the FIU and to enforce compliance with the FTR Act or facilitate any investigation anticipated by the FIU or a law enforcement agency.

The FIU issued five such directives in 2013 to financial institutions. The directives issued in 2013 related to the following:

- i. undertaking enhanced due diligence on customers;
- ii. establishing source of funds;
- iii. ascertain the ultimate destination of any subsequent withdrawal transaction(s);
- iv. identify any third party transactions;
- v. seek approval in writing of the FIU before proceeding with any withdrawal transaction(s).

The FIU also uses directives to temporarily suspend a transaction until the customer provides all necessary information to the financial institution as stipulated in the directive.

## Investigative Assistance

### Assistance Provided to Law Enforcement Agencies

The FIU provides investigative assistance to domestic and foreign law enforcement agencies. The request for assistance from the law enforcement agencies are received in writing and are related to investigations of suspected money laundering activities and other predicate offences such as forgery and fraud, drug trafficking/dealing, human trafficking, obtaining money by false pretences, larceny and corruption.

The requests may also be related to investigations initiated by a FIU CDR disseminated to a law enforcement agency.

The FIU received a total of 160 requests in 2013 compared to 133 requests in 2012 from local law enforcement agencies (such as the Fiji Police Force, Transnational Crime Unit and FRCA) and foreign FIUs (Table 24).

TABLE 24 Requests for Investigative Assistance 2013

Requesting Agency	Number of Requests	Number of Checks on Entities	Number of Checks on Individuals
Department of Immigration	4	0	6
FICAC	36	2	111
Fiji Police Force	77	19	151
Foreign FIUs	10	7	47
FRCA	27	97	32
Reserve Bank of Fiji	1	0	1
Others	5	5	14
<b>Total</b>	<b>160</b>	<b>130</b>	<b>362</b>

Source: Fiji FIU

The FIU also assists law enforcement agencies in their investigations by facilitating the process to trace and temporarily freeze or suspend suspected proceeds of crime and criminal funds that is suspected to be transacted or held within financial institutions and to also ensure that the funds are immediately secured while the formal investigations into the suspected criminal activity is underway.

### Request for Assistance from Foreign FIUs

The FIU receives requests for information from foreign FIUs. In 2013, the FIU received 10 requests from foreign FIUs through the Egmont Group secure web network and other formal communication.

### Due Diligence

The FIU provides assistance to conduct background and due diligence checks on individuals and entities upon a request made in writing from a Government department or authority. Requesting agencies are required to fill out the FIU request form and provide relevant details on the individuals and businesses that are under scrutiny.

In 2013, the FIU received 46 requests for background and credibility checks compared to 122 requests in 2012. This is a 62 percent decline from the previous year. The checks were conducted on 71 entities and 70 individuals (Table 25).

During the year, the FIU delivered two training sessions to government department and statutory authority officers on how to conduct basic background and credibility checks on individuals and entities. As a result key government agencies and statutory bodies started conducting their own due diligence checks during 2013. This contributed to the substantial decline in the number of requests for background and credibility checks referred to the FIU in 2013.

TABLE 25 Requests for Investigative Assistance 2013

Requesting Agency	Number of Requests	Number of Checks on Entities	Number of Checks on Individuals
Attorney General's Office/ Ministry of Justice	3	15	7
Ministry of Health - Fiji Pharmaceutical Services	4	6	3
Investment Fiji	3	7	5
Ministry of Finance	4	4	9
Ministry of Public Enterprise, Tourism & Civil Aviation & Industry & Trade	5	3	4
Reserve Bank of Fiji	16	22	29
Others	11	14	13
<b>Total</b>	<b>46</b>	<b>71</b>	<b>70</b>

Source: Fiji FIU

## Fiji FIU's Information Management System Online [FFIMSO]

The FIU's information management system online (FFIMSO) allows financial institutions to report their transactions (STR; CTR; EFTR) electronically to the FIU on-line. As at the end of 2013, 81 financial institutions had registered on FFIMSO (Table 26).

TABLE 26 Financial Institutions Registered on FFIMSO

Sector	No of Reporting Entities Registered for On-Line Reporting to the FIU
Commercial Banks	5
Foreign Exchange Dealers & Money Remitters	8
Mobile Phone Money Remitters	2
Finance Companies	10
Law Firms	34
Insurance & Superannuation	8
Accounting Firms	6
Securities and Brokers	1
Others	7
<b>TOTAL</b>	<b>81</b>

Source: Fiji FIU

FFIMSO received an average of 127,391 financial transaction reports per month in 2013 (Table 27). This is an increase of 48 percent from 2012. The increase in average number of reports received monthly on FFIMSO is due to the submission of backdated reports during 2013, as part of FIU's reporting compliance and data quality project. As at the end of 2013, the FFIMSO database had received over 4.2 million financial transaction reports from financial institutions since going live in 2008.

TABLE 27 Average No. of Reports Received Monthly on FFIMSO

	2009	2010	2011	2012	2013
STR	60	75	61	48	44
EFTR	25,282	26,303	37,570	69,247	95,644
CTR	11,046	11,124	12,016	16,700	31,703
Monthly Total Average	36,388	37,502	49,647	85,995	127,391

Source: Fiji FIU

During 2013, the FIU continued to use FFIMSO in its intelligence processes. The FIU also continued to use its Alert and Monitoring System (AMS) which monitors all financial transaction reports maintained on the FFIMSO database for suspicious transactions.

The FIU also continued to use a Data Mining System (DMS) to analyse financial transaction data captured in the FFIMSO database. The DMS identifies links, relationships and patterns of suspicious financial activities.

The AMS and DMS identified and reported suspicious transactions in weekly and daily reports to FIU analysts for their further analysis.

### CASE STUDY 6 Suspicious Foreigner Attempts Remittance

A STR was reported on two Asian nationals, Person A and Person B, who brought US\$20,000 cash into a local commercial bank for payment of an international remittance to Vanuatu. Neither of these foreigners maintained a bank account at the commercial bank. The bank teller had also recognized Person A who had appeared on the local television news for a serious offence. Both individuals were reportedly unemployed.

The purpose of remitting funds to Vanuatu was for the payment of hotel expenses incurred by Person B who held a permanent residence permit in Vanuatu.

FIU had established that Person A and Person B did not maintain any other bank accounts in Fiji. Furthermore,

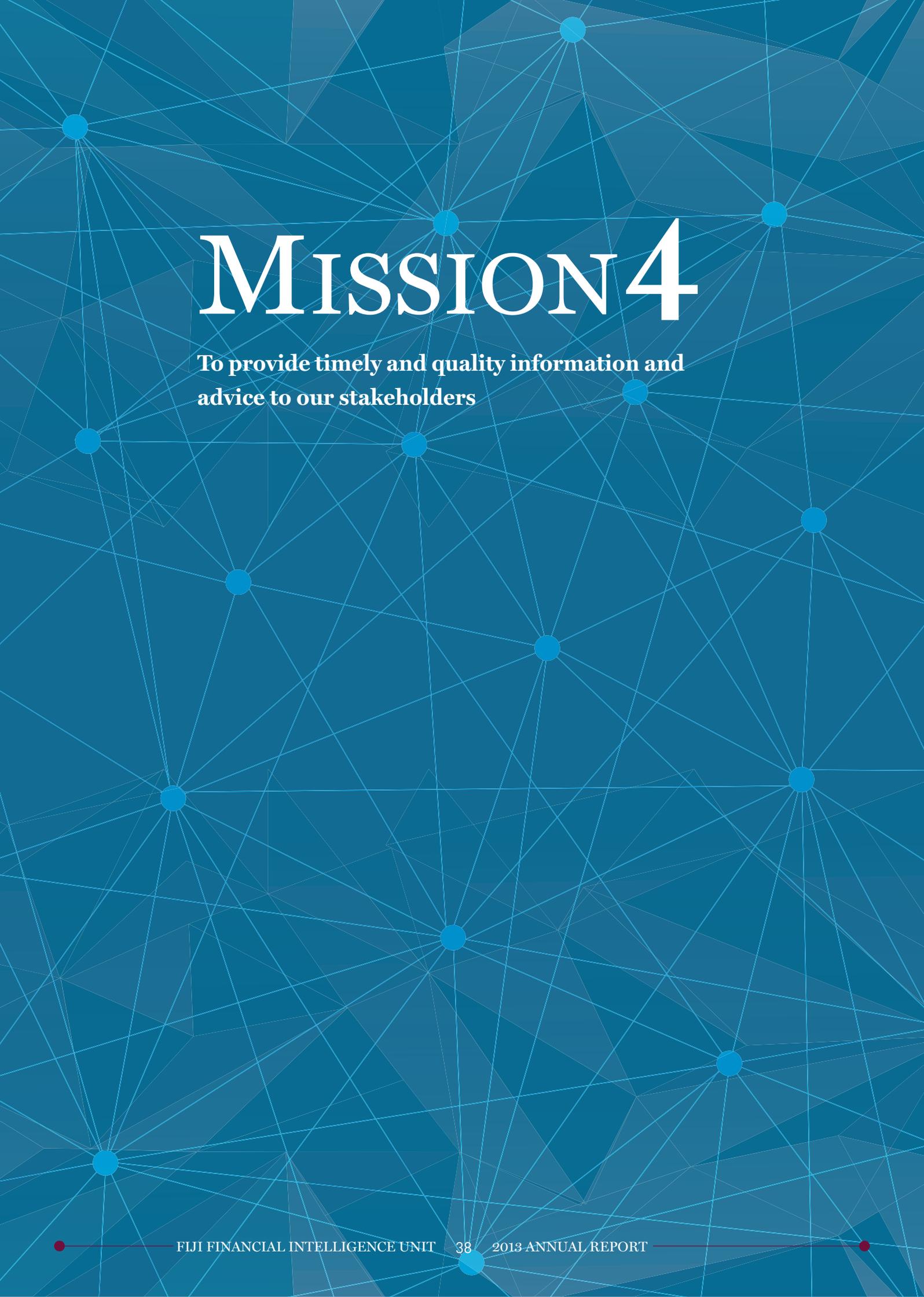
they had travelled together to and from Fiji on three occasions. Their profile, the cash that they were carrying and their travels to Fiji were unusual.

#### Possible Offence:

- Money Laundering

#### Indicators:

- Off the street customer conducts an unusually large cash transaction.
- Customer was adversely reported in the local media.



# MISSION 4

To provide timely and quality information and advice to our stakeholders



# PROVIDE TIMELY AND QUALITY INFORMATION TO STAKEHOLDERS

## Financial Institutions and Industry Groups

The FIU provided information to financial institutions through meetings, formal notifications, policy advisories, statistical reports and training presentations. The FIU also met with individual financial institutions, as and when needed, to discuss AML policy, reporting and compliance issues.

The FIU also holds regular forums with AML Compliance Officers to brief them on key policy issues, STR indicators and recent money laundering case studies. During the year, the FIU held two AML Compliance Officers' Forum (Table 28).

TABLE 28 | AML Compliance Officers Forum 2013

Sector	Issues Discussed
Banks	AML policies and procedures
Finance Companies	identification and reporting of suspicious transactions
Foreign Exchange Dealers & Money Remitters	staff training
	dealing with non-compliance issues
	recent money laundering case studies
	Proceeds of Crime Amendment Decree 2012

Source: Fiji FIU

The FIU also attended and participated in RBF coordinated forums with the Association of Banks in Fiji (ABIF) and Finance Companies Association (Table 29). These forums provided opportunities for the FIU to clarify policy issues and to brief financial institutions on developments in AML/CFT initiatives.

TABLE 29 | RBF and Industry Forum Attended by FIU 2013

Forum	Date of Meeting
ABIF	8 April; 12 June
Finance Companies Association	13 May; 14 August; 13 November

Source: Fiji FIU

## Government Agencies

The FIU is a member of various government Committees namely the National AML Council, the three AML Working Groups; CTOG and the e-Money Taskforce. The FIU provided information and advice on AML/CFT matters through these Committees in 2013.

The FIU also provided written updates and advice on AML/CFT issues, challenges and developments in 2013 to a number of government agencies as requested and when necessary.

The FIU held meetings with law enforcement agencies as and when required to discuss case referrals from the FIU and to provide relevant information to investigating officials.

The FIU also held one-on-one meetings with senior management of key law enforcement agencies to discuss strategic issues relating to the cases referred by the FIU to these agencies.

## Public Awareness

The FIU uses its website and the media to inform the general public of key AML/CFT initiatives and developments. To this end, the FIU issued six press releases during the year on major events or issues. Refer to Appendix 4.

The FIU also uses media interviews and annual publications, in particular the FIU Annual Report and the RBF Annual Report to provide awareness to the public on AML/CFT issues and the work of the FIU.

The 4th National AML Conference was also an opportunity to provide information to a wide section of stakeholders from the private and public sector on AML/CFT requirements and issues.

## International Community

During the year, the FIU also liaised with various international agencies, providing them information and advice on the AML framework and developments in Fiji.

The FIU attended the APG Annual Plenary in 2013 where it updated the APG and the international community on major AML initiatives for the year. The Fiji DPR, which was coordinated by the FIU, provided the APG membership with an update on Fiji's progress in meeting the MER recommendations of the World Bank. The FIU also provided regular updates to the Egmont Group on AML/CFT issues, challenges and developments in Fiji during the year.

# MISSION 5

To develop and utilise skilled staff

# DEVELOP AND UTILISE SKILLED STAFF

## Professional Development of Staff

During the year FIU staff attended various workshops and technical forums (Table 30).

TABLE 30 | Trainings and Conventions 2013

Month	Course	Venue	Organiser
January	Workshop on Sanction with UN Panel of Experts - Implementing Sanctions: Prospects and Problems	Auckland, New Zealand	International Institute for Strategic Studies, UK
March	Workshop on the Revised FATF Standards and Pacific Typologies	Brisbane, Australia	APG, AUSTRAC
April	Financial Investigation Awareness Workshop	Suva, Fiji	Australian Federal Police
June	Fiji Institute of Accountants Annual Congress	Nadi, Fiji	Fiji Institute of Accountants
July	Leadership in Action Workshop	Suva, Fiji	RBF
August	Workshop on the Revised FATF Standards and National Risk Assessment	Singapore	IMF-Singapore Regional Training Institute
	Fiji Business Forum	Suva, Fiji	Suva Chamber of Commerce
September	APG & Eurasian Group (EAG) Joint Typologies and Capacity Building Workshop	Ulaanbaatar, Mongolia	APG/EAG
	AFI Global Policy Forum	Kuala Lumpur, Malaysia	AFI
November	Assessor Workshop	Sydney, Australia	APG
December	15th Attorney General's Conference	Sigatoka, Fiji	Attorney General's Office

Source: Fiji FIU

## Review of Strategic Plan

During the year, the FIU also reviewed its strategic plan. A new five years strategic plan for the FIU for the period 2014-2018 was formulated after this review process.

## Structure of the FIU

As at the end of 2013, the FIU had eight permanent staff and three officers on secondment from partner agencies (one Police officer and two FRCA officers).

The FIU also engaged one trainee worker from a local tertiary institution as part of the RBF's on-going on-the-job program for local tertiary institutions. In 2013, three trainee workers were engaged with the FIU on short term attachment programs.

### CASE STUDY 7 Exchange of Foreign Currency Conducted by Third Parties

The FIU had received suspicious transaction reports on several individuals changing foreign currency into Fiji dollars on behalf of Person A.

It was established that Person A, an Indian national, owned a jewellery store that had branches located around Viti Levu. The third parties who changed foreign currency on behalf of Person A, were his employees.

It was suspected that Person A was engaged in illegal foreign currency trading without holding the relevant license due to the following:

- The business of Person A was located away from tourist populated areas and therefore did not match the volume of foreign currency;
- His travel history did not match the foreign currency changed by his employees; and
- The dates of purchasing the Fiji currency did not coincide with the dates of his arrival into Fiji, and therefore indicated that the foreign currencies may not have been sourced from his travels abroad.

#### Possible Offence:

- Money Laundering
- Exchange Control Violations

#### Indicators:

- Large foreign currency transaction did not match the profile of the customer.
- No recent travels conducted by the customer around the time of the foreign currency exchange.

# ADMINISTRATION AND FUNDING

## Funding & Expenditure

The RBF continued to fund the operations of the FIU in 2013. The FIU's total expenditure for 2013 was \$660,845 compared to \$666,025 in 2012. This is a slight decrease of 0.8 percent from 2012 (Table 31). The 2013 expenditure of the FIU is incorporated into the 2013 financial statements of the RBF and is audited as part of its 2013 annual accounts.

TABLE 31 | FIU Funding & Expenditure

	2011	2012	2013
Operating Expenditure <sup>9</sup>	\$682,903	\$666,025	\$624,506
Capital Expenditure	\$36,665	-	\$36,339
<b>TOTAL</b>	<b>\$719,568</b>	<b>\$666,025</b>	<b>\$660,845</b>

Source: Reserve Bank of Fiji

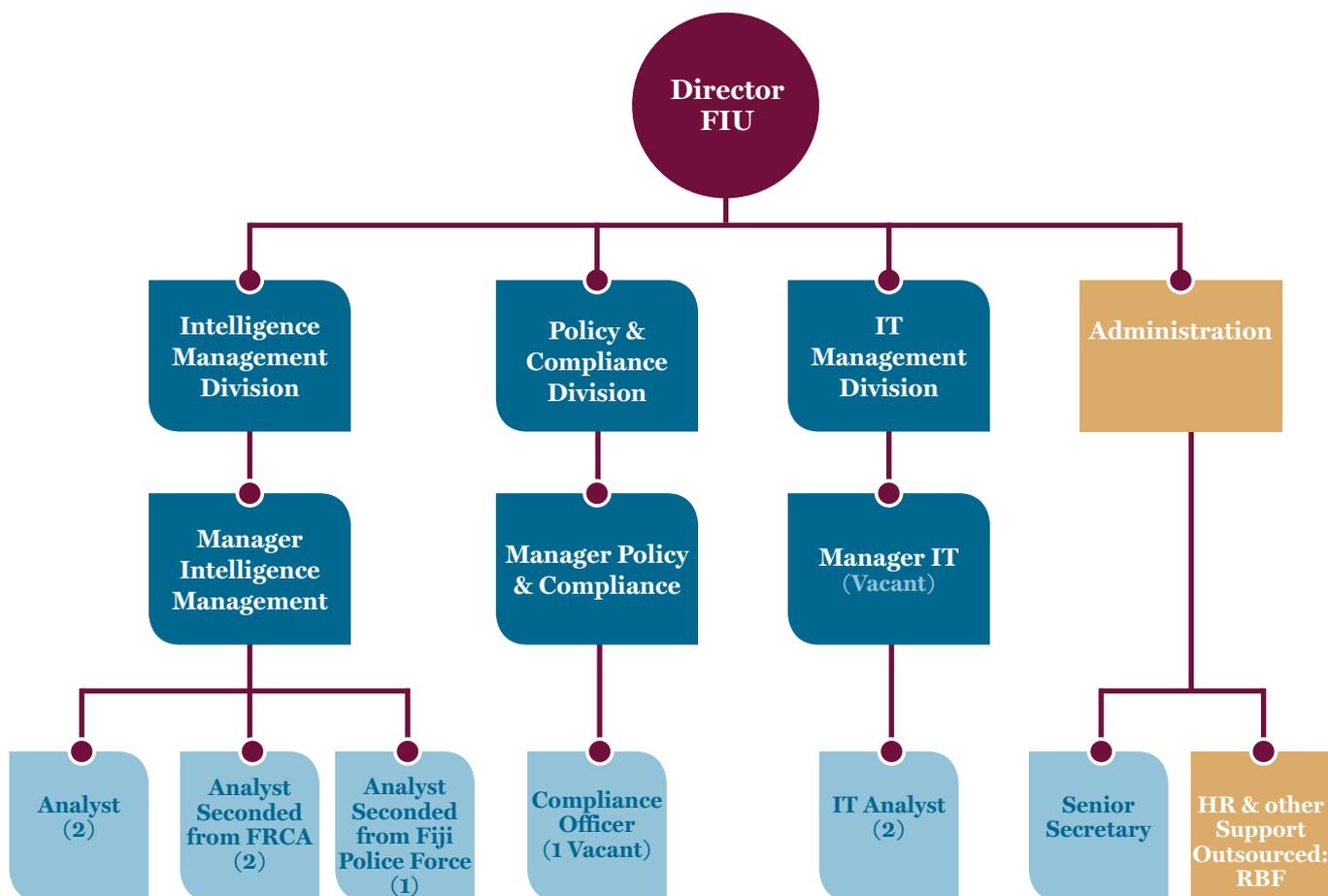
The RBF also provided other administrative support services to the FIU in 2013 in the areas of human resource management, accounting, information technology services, security services and other general administrative services.

## Other Assistance Provided to the FIU

The FIU received indirect funding assistance from FRCA and the Fiji Police Force through the secondment of their staff with the FIU in 2013. The salaries of the seconded officers were fully funded by their respective agencies.

In 2013 the FIU also received funding assistance from the Australian Federal Police, AFI, AUSTRAC, APG and the IMF-Singapore Regional Training Institute to send staff to various technical AML/CFT trainings, conventions and meetings.

## FIU Structure 2013



Source: Fiji FIU

<sup>9</sup>The Reserve Bank provides additional financial support for the FIU in the terms of office space and overhead costs.

# NATIONAL ANTI-MONEY LAUNDERING COUNCIL

## Establishment & Membership

The National AML Council is established under Section 35 of the FTR Act and is Fiji's national AML/CFT coordination committee.

The vision of the National AML Council is "a money laundering-free Fiji that advances economic growth and security." The Council's missions are to:

- i. provide sound and timely policy advice to relevant stakeholders;
- ii. support an effective legal and institutional AML / CFT framework;
- iii. promote integration & co-operation amongst relevant stakeholders;
- iv. ensure compliance with international AML/CFT standards.

The Council seeks to achieve these missions by:

- i. enhancing Fiji's legal framework to eliminate overlapping/conflict in legislations and to mitigate emerging crimes;
- ii. conducting on-going review and strengthening of AML/CFT framework to ensure compliance with international standards and to mitigate emerging typologies;
- iii. reporting regularly to Government and Parliament on the Council's work;
- iv. enhancing the work of the FIU;

- v. encouraging networking and sharing of information between agencies;
- vi. developing the capacity of the Council.

The members of the National AML Council are:

- i. Permanent Secretary for the Ministry for Justice, as Chairperson;
- ii. Director of the Office of Public Prosecutions;
- iii. Commissioner of Police;
- iv. Governor of the RBF; and
- v. Chief Executive Officer of the FRCA;
- vi. Director of the FIU.

The Council may invite other persons to attend the Council meetings. There are four invited members of the Council. These are:

- Director, Immigration Department
- Permanent Secretary, Ministry of Finance
- Permanent Secretary, Ministry of Defence, National Security and Immigration
- Permanent Secretary, Ministry of Foreign Affairs, International Co-operation
- Deputy Commissioner, Fiji Independent Commission Against Corruption

The FIU provides the secretariat to the Council.



Awareness campaign by the National AML Council members on the Proceeds of Crime (Amendment) Decree

**National AML Council Members 2013**



**Mr Mohammed Saneem**  
Acting Permanent  
Secretary for Justice



**Mr Barry Whiteside**  
Governor  
Reserve Bank of Fiji



**Mr Jitoko Tikolevu**  
Chief Executive Officer  
Fiji Revenue & Customs  
Authority



**Mr Christopher Pryde**  
Director  
Office of the Director of  
Public Prosecutions



**Mr Ioane Naivalurua**  
Commissioner  
Fiji Police Force



**Mr Razim Buksh**  
Director  
Financial Intelligence  
Unit

**National AML Council Invited Members 2013**



**Mr Osea Cawaru**  
Permanent Secretary  
Ministry of Defence, National  
Security and Immigration



**Mr Filimone Waqabaca**  
Permanent Secretary  
Ministry of Finance



**Mr Amena Yauvoli**  
Permanent Secretary  
Ministry of Foreign Affairs,  
International Co-operation



**Mr Nemani Vuniwaqa**  
Director  
Immigration Department



**Mr George Langman**  
Deputy Commissioner  
Fiji Independent Commission  
Against Corruption

## Functions of the Council

The functions of the Council are provided for in Section 35(5) of the FTR Act and are:

1. to advise the FIU and the Minister on any matters relating to the prevention of money laundering or the financing of terrorism;
2. to make recommendations to the Unit and the Minister on any matter relating to the prevention of money laundering or the financing of terrorism;
3. to assist the FIU and the Minister in the formulation of policies or strategies relating to the prevention of money laundering or the financing of terrorism and
4. to assist the FIU in coordination between various Government departments and with statutory corporations.

## Council Working Groups

The National AML Council is supported in its work by three working groups, namely:

- i. Legal Working Group
- ii. Supervisors and Regulators Working Group
- iii. Law Enforcement Working Group

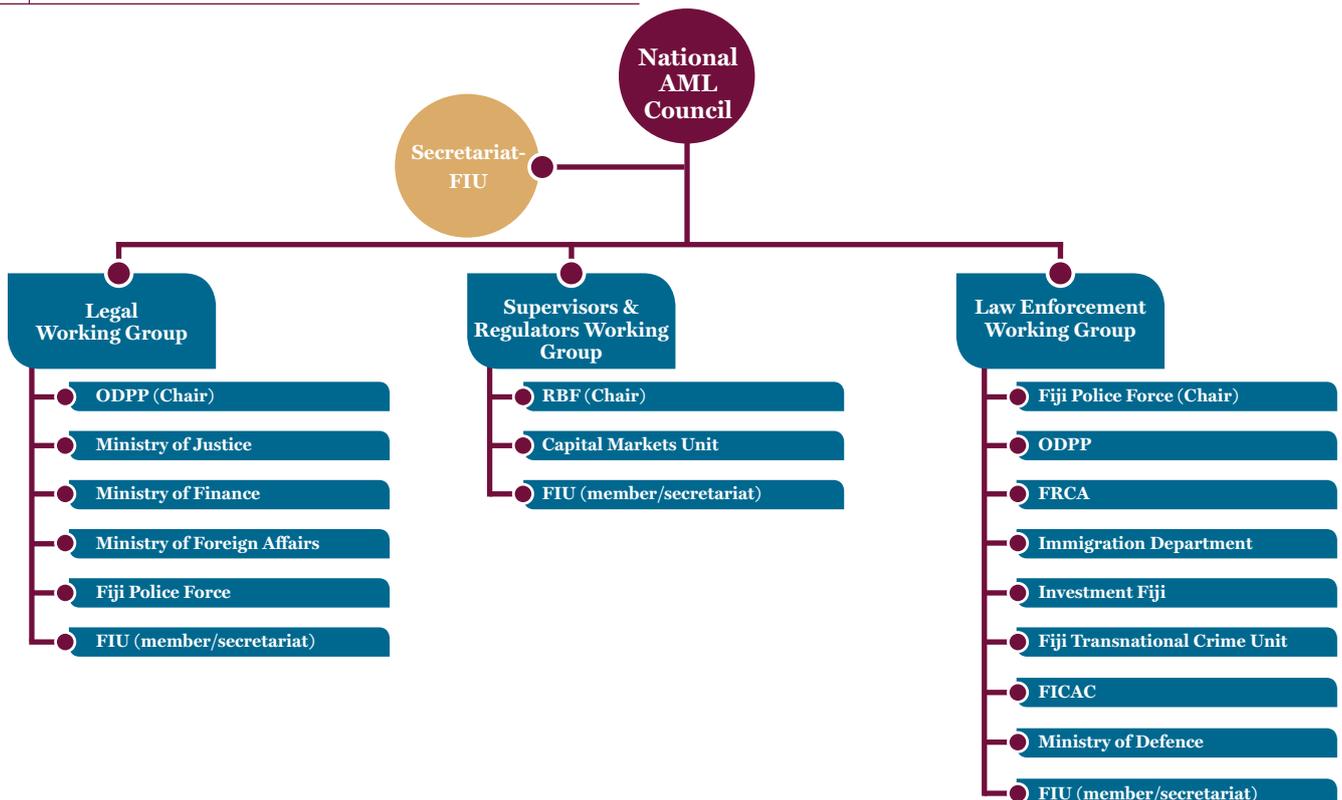
The terms of reference of each Working Group is determined by the Council (Table 32). The Working Groups provide updates at the National AML Council meetings on its achievements.

TABLE 32 Terms of Reference of AML Working Groups

AML Legal Working Group	AML Supervisors & Regulators Working Group	AML Law Enforcement Working Group
<ul style="list-style-type: none"> <li>• To facilitate the review of relevant legislations to ensure that Fiji has an effective and globally acceptable legislative framework for combating money laundering and other related offences.</li> <li>• To facilitate the ratification of relevant international conventions.</li> <li>• To administer the forfeited asset fund.</li> <li>• To facilitate matters relating to international assistance and extradition.</li> </ul>	<ul style="list-style-type: none"> <li>• To facilitate networking and sharing of information amongst regulators regarding the supervision of financial institutions for compliance with the FTR Act.</li> <li>• To conduct joint AML compliance programs.</li> <li>• To advise the Council on financial institution's compliance with legislative AML requirements.</li> </ul>	<ul style="list-style-type: none"> <li>• To facilitate networking amongst law enforcement agencies to enable:                             <ul style="list-style-type: none"> <li>• a) better sharing of information amongst agencies;</li> <li>• b) the effective investigation and prosecution of money laundering and other related financial offences; and</li> <li>• c) sharing of technical expertise and resources</li> </ul> </li> <li>• To advise the Council on issues relating to investigation and prosecution of money laundering and other related offences.</li> </ul>

The members of the Working Groups are representatives from relevant agencies who contribute towards Fiji's AML/CFT initiatives. The chairpersons of the Working Groups are elected by the members of the Working Group. The FIU is a member and provides the secretariat of the three Working Groups.

## National AML Council & Working Groups



## Council's Activities in 2013

The Council met three times during 2013 (Table 33).

TABLE 33 Council Meetings 2010-2013

2010	2011	2012	2013
24 February	2 February	22 February	4 April
12 May	18 May	23 May	14 August
18 August	13 September	4 September	26 November
3 November	-	20 December	-

Source: Fiji FIU

The Council invited the Heads of other relevant agencies to attend the Council's meetings in 2013. These were:

- Permanent Secretary, Ministry of Finance
- Permanent Secretary, Ministry of Defence, National Security and Immigration
- Permanent Secretary, Ministry of Foreign Affairs, International Co-operation
- Deputy Commissioner, Fiji Independent Commission Against Corruption

The Council monitored the status of Fiji's implementation of the 2006 mutual evaluation recommendations. The Council followed up with the various Working Groups on outstanding recommendations from the 2006 MER. The Council also contributed to the formulation of Fiji's DPR which was submitted to the APG in early 2013.

During the year, the Council considered and endorsed a broad strategic plan on how Fiji will implement the new requirements of the revised FATF Recommendations. This broad strategic plan had been developed by the three AML Working Groups.

Following the approval of the Proceeds of Crime (Management and Disposal of Property) Regulations in late 2012, the Council considered the implementation of the new Regulation in 2013.

The Council also launched national efforts to implement the Proceeds of Crime (Amendment) Decree 2012, through a combined press briefing held by the Permanent Secretary for the Ministry of Justice, Commissioner of Police, CEO FRCA, Director of Public Prosecutions and the Director FIU. Following this, a program to raise awareness on the unexplained wealth provisions contained in this Decree was undertaken through media interviews and seminars. The Council also endorsed the set-up of an Unexplained Wealth Taskforce with representatives from key law enforcement agencies.



Director FIU attends a radio talk-back program on the Proceeds of Crime (Amendment) Decree

The Director FIU and senior officers representing members of the Council also attended the APG Plenary Meeting to present Fiji's DPR.

The Working Groups held meetings and worked on a number of projects during 2013. (Table 34). These included discussions on the need for a manual to support the implementation of the Proceeds of Crime (Management and Disposal of Property) Regulations and considering how to implement the Proceeds of Crime Amendment Decree on unexplained wealth.

TABLE 34 Working Group Meetings 2013

Working Group	Number of Meetings
Legal Working Group	4
Law Enforcement Working Group	3

Source: Fiji FIU



Meeting of the Law Enforcement Working Group



# APPENDICES

## APPENDIX 1 | GUIDELINES ISSUED BY THE FIU

Guideline Reference	Title	Date Issued	Purpose of Guideline
Guideline 1	Suspicious Transactions	26 October 2007	To provide guidance on how to identify suspicious transactions and report these suspicious transactions.
Guideline 2	Reporting a Suspicious Transaction by Paper	26 October 2007	To provide guidance to financial institutions on how to complete a "suspicious transaction report" form.
Guideline 3	Reporting Cash Transactions of \$10,000 or above by Paper	22 May 2009	To provide guidance to financial institutions on how to report cash transactions of \$10,000 and above using the paper report forms
Guideline 4	Customer Identification & Verification	20 August 2009	To explain the customer identification and verification requirements of the FTR Act and Regulations and provide practical guidance on how to apply these customer verification requirements.

Source: Fiji FIU

## APPENDIX 2 | POLICY ADVISORIES ISSUED BY FIU

Reference	Subject	Purpose of Advisory	Issue Date
1/2007	Customer Due Diligence of Existing Customers' Accounts	To explain how and when due diligence is to be applied to existing customers of financial institutions	15 March 2007
2/2007	Customer Due Diligence of Customers Who Have Insufficient or No Official Identification Documents	To provide further guidance on how due diligence is to be applied to new customers who have insufficient or no official identification documents	11 April 2007
3/2007	Identification and Verification of a Customer's Signature	To provide further guidance on how to identify and verify a customer's signature	26 April 2007
4/2007	Identification and Verification of Occasional Customers	To provide further guidance on how to identify and verify occasional customers	14 June 2007
5/2007	Risk Based Approach	To provide guidance on how to apply the FTR Act and Regulations on a risk based approach	22 June 2007
6/2007	Application of Exemption Provisions for Reporting of Cash Transactions	To provide guidance on how to apply the exemption provisions relating to cash transaction reporting requirements	9 July 2007
7/2007	Record Keeping	To provide further guidance on the record keeping requirements of the FTR Act	11 July 2007
1/2008	Identification and Verification of Customers of Insurance Providers	To provide further guidance to insurance companies, brokers and agents on their obligations to identify and verify their customers' identity.	23 January 2008
2/2008	Identification and Verification of Clients and Beneficiaries of Employer Funded Group Life Insurance Policies	To provide guidance on how insurance companies and intermediaries can apply the identification requirements to clients of employer funded group life insurance policies.	24 November 2008
1/2010	Identification and Verification of a Customer's Signature	To provide guidance on how to identify and verify a customer's signature. This Advisory supersedes and replaces Policy Advisory 3/2007 of 26 April 2007.	11 August 2010
2/2010	Use of Referee Letter to Verify a Customer's Identity	Pursuant to Section 4(4)(a) of the FTR Act, to allow financial institutions to rely solely on a letter from a suitable referee to verify a low risk customer who does not have or is unable to provide any formal identification documents.	27 August 2010
3/2010	Refugee Identity Card	To advise financial institutions of the identification documents pertaining to customers who have been granted Asylum Seeker and Refugee status by the Fiji Government.	17 September 2010
4/2010	Identification of Customers of Telephone Financial Services	To provide guidance to telephone service providers that provide financial services to customers on the customer identification requirements under the FTR Act and how it relates to the Decree on Compulsory Registration of Customers for Telephone Services (2010).	17 September 2010
1/2012	Subsequent Reporting of Suspicious Transactions	To provide clarification on the need for continuous reporting of customers who have been previously reported to the FIU as engaging in suspicious transactions	28 March 2012
2/2012	Voter Identification Card	To advise financial institutions of the inclusion of the Fiji Voter Identification Card for identification and verification of certain customers and clients.	22 August 2012
1/2013	FNPF/FRCA Joint Identification Card	To advise financial institutions of the inclusion of the FNPF/FRCA Joint Identification card for identification and verification of their customers and clients.	15 November 2013

Source: Fiji FIU



## Suspicious Transaction Report (STR)

Please Complete in Ink and Capital Letters

Reporting of suspicious transactions is required under section 14 of the FTR Act 2004 and Part 3 of the FTR Regulations.

Failure to report or reporting false or misleading information may result in fines of up to \$30,000 or 5 years imprisonment or both or a fine of up to \$150,000 for a corporate body.

### PART A - IDENTITY OF PERSON CONDUCTING THE SUSPICIOUS TRANSACTION

<b>1 Full Name (Title, Given Names and Surname)</b>									
<b>2 Date of Birth</b>									
		/			/				
<b>3 Occupation, Business or Principal Activity</b>									
<b>4 Business Address (Physical and PO Box)</b>									
PO Box:									
Country:									
Phone:									
<b>5 Residential Address (Cannot be a PO Box)</b>									
Country:									
Phone:									
<b>6 Citizen of Fiji</b>									
Yes		No		Mark with a Tick ✓					
<b>7 NON FIJI CITIZEN - Fiji Contact Address</b>									
Phone:									

**8 Is this Person a Signatory to an Account(s) Affected by this Transaction?**

Yes  No  Mark with a Tick ✓

**Details of Account(s):**

(1) Account Title/Name:

--	--	--	--	--	--	--	--	--	--

Account Number:

--	--	--	--	--	--	--	--	--	--

Account Type:

--	--	--	--	--	--	--	--	--	--

Financial Institution:

--	--	--	--	--	--	--	--	--	--

Branch / Office / Agency:

--	--	--	--	--	--	--	--	--	--

(2) Account Title/Name:

--	--	--	--	--	--	--	--	--	--

Account Number:

--	--	--	--	--	--	--	--	--	--

Account Type:

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Financial Institution:

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Branch / Office / Agency:

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**9 How was the Identity of this person confirmed ?**

(1) ID Type:

--	--	--	--	--	--	--	--	--	--

ID Number:

--	--	--	--	--	--	--	--	--	--

Issuer:

--	--	--	--	--	--	--	--	--	--

(2) ID Type:

--	--	--	--	--	--	--	--	--	--

ID Number:

--	--	--	--	--	--	--	--	--	--

Issuer:

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**10 Is a photocopy of ID document/s attached?**

Yes  No  Mark with a Tick ✓

If more than one person is involved please provide the same details contained in Sections 1 - 10 for each person, where appropriate, and attach.







## APPENDIX 4 | PRESS RELEASES ISSUED BY FIU DURING 2013

	Date of Press Release	Subject of Press Release	Purpose of Press Release
1	23-May	Authorities to Tackle Unexplained Wealth	Informed the public of measures under the Proceeds of Crime (Amendment) Decree 2012 to deal with unexplained wealth.
2	25-June	FIU Annual Report 2012	Informed the public of the release of the FIU Annual Report for 2012.
3	03-September	Specialised Training on Investigating Money Laundering	Provided details of a workshop organised by the Fiji Police Force and the FIU for police investigators on investigating money laundering and proceeds of crime cases.
4	05-September	Money Scam on Individuals Posing as Officials of the Land Transport Authority	Advised members of the public of a scam involving individuals posing as officials of the Land Transport Authority.
5	14-November	National AML Conference	Provided details of the 4th National AML Conference.
6	15-November	Use of FPNP/FRCA Joint Identification Card for Verification of Customers	Informed the public that the FPNP/FRCA Joint Identification Card may be used by financial institutions as an identification document during their customer verification process.

Source: Fiji FIU



**Fiji FIU**  
Fiji Financial Intelligence Unit



## PRESS RELEASE

**Press Release No.:** 11/2013

**Date:** 23 May 2013

**Telephone:** (679) 331 3611 **Facsimile:** (679) 330 2094

**E-mail:** info@rbf.gov.fj or info@fijifu.gov.fj

### AUTHORITIES TO TACKLE UNEXPLAINED WEALTH

Fiji has further strengthened its efforts to combat organised crimes and tax evasion with the introduction of the Proceeds of Crime (Amendment) Decree (No. 61 of 2012) in September 2012.

The Director of the Financial Intelligence Unit, Mr Razim Buksh said that the new “unexplained wealth” provisions enables the Court to confiscate any property or benefit that is owned or controlled by a person that cannot be reasonably explained in relation to the lawful income of that person. A person has “unexplained wealth” if the value of the person’s total wealth is greater than the value of the person’s lawfully acquired wealth. The value of the person’s total wealth is the total value of properties, including services, advantages and benefits that together constitute the person’s wealth.

Mr Buksh said that a person who fails to provide a satisfactory explanation to the Court as to how he or she was able to acquire properties and maintain a standard of living beyond his or her means and lawful emoluments, will be ordered to pay the value of his or her unexplained wealth to the State.

The Chief Executive Officer of the Fiji Revenue and Customs Authority (FRCA), Mr Jitoko Tikolevu said that the new Decree would further strengthen tax compliance in Fiji whereby persons and businesses that have been evading tax will be now forced to declare their correct income and lodge accurate tax returns.

Mr Tikolevu said that the authorities now have additional powers to forfeit any undeclared income as “unexplained wealth”. He said that some businessman in Fiji have been showing losses or lesser revenues for tax purposes that is not commensurate with their accumulation of properties and their high living standards. He further said that the intention was to create a strong tax compliance regime in Fiji that will not only support fair business competitiveness but will also eliminate tax evasion and fraud.

Commissioner of Police, Mr Ioane Naivalurua, said that the Fiji Police Force has committed substantial resources in

investigating complex financial crimes. These include the establishment of specialised units within the Police Force such as the Anti-Money Laundering Investigation Unit, Human Trafficking Unit, Counter-Terrorism Unit, Cyber-Crime Unit, Major Crime Unit, Transnational Crime Unit and the overall Criminal Investigation Division. “The new unexplained wealth provisions empower the Police to take away the wealth that is generated from various criminal activities. This can now be achieved without a criminal conviction. The rules have been further simplified whereby persons now have the burden of explaining to the law enforcement agencies and to the Court the source of their wealth. If the person fails to provide explanation to the satisfaction of the Court, the assets will be forfeited to the State” said Commissioner Naivalurua.

Commissioner Naivalurua said that the Proceeds of Crime Act already had provisions to forfeit properties with or without conviction of a serious offence. However, the new unexplained wealth forfeiture provisions do not require the law enforcement authorities to establish that a serious offence is linked to the proceeds held by a person.

Mr Buksh said that the new provisions requires the persons to show that wealth was obtained lawfully in order to keep it, rather than the law enforcement agencies to show that the wealth was obtained unlawfully in order to forfeit it. The idea is to deprive persons from enjoying their ill-gotten wealth and this would hit the hardest on persons who live and profit from unlawful activities.

The new “unexplained wealth” provisions are now in effect and law enforcement agencies are considering a number of cases that will be investigated. Members of the public and businesses are encouraged to report suspected cases of unexplained wealth to the FIU, FRCA or the Police. Informants will be subject to anonymity and strict confidentiality of information will be also maintained.

#### Fiji Revenue and Customs Authority

#### Fiji Police Force

#### Financial Intelligence Unit Contact details:

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**Fiji FIU**  
Fiji Financial Intelligence Unit



## PRESS RELEASE

**Press Release No.:** 15/2013  
**Date:** 25 June 2013

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### FINANCIAL INTELLIGENCE UNIT ANNUAL REPORT 2012

The Financial Intelligence Unit (FIU) released its 2012 Annual Report today. The report was tabled at the Cabinet meeting last week by the Attorney-General and Minister for Justice, Mr Aiyaz Sayed-Khaiyum. The report provides information on key achievements and performance of the FIU for 2012.

The FIU was established in 2006 under the Financial Transactions Reporting (FTR) Act with its vision of protecting Fiji from money laundering activities. The key role of the FIU is to detect and investigate financial transactions that are suspected to be linked to money laundering, fraud, corruption, and other criminal activities in Fiji.

The Director of the FIU, Mr Razim Buksh said that the FIU has become an important intelligence agency of the Fijian Government that provides support to the law enforcement agencies such as the Fiji Police Force, Fiji Independent Commission Against Corruption, and the Immigration Department through intelligence-led investigations of complex crimes. The outputs of the FIU also directly support revenue collection priorities of the Fiji Revenue and Customs Authority.

In 2012, the FIU's intelligence management team:

- Identified 246 potential cases of money laundering, tax evasion and related financial crimes;
- Provided investigative assistance on 133 cases to the relevant law enforcement agencies; and
- Conducted 122 credibility and due diligence checks for the Government departments and agencies.

Mr Buksh said that the above outcome was made possible through the FIU's advanced data mining operation against almost 3,000,000 financial transaction information in its database, 579 suspicious transaction reports received during the year and over 700 requests for information that were made by the FIU to the commercial banks and other financial institutions. The FIU also depends significantly on its access to Government and other databases to develop and provide accurate, complete and timely intelligence to its partner agencies.

2012 also saw the first conviction case, under the FTR Act, of the director of a previously licensed foreign exchange dealer for failure to comply with the suspicious transaction reporting obligations.

In 2012, the FIU continued to strengthen its information exchange mechanism with partner agencies by signing Memoranda of Agreements (MOA) with four foreign FIUs and one domestic government agency, namely the Maritime Safety Authority of Fiji. These MOAs enable the exchange of information relevant to the investigation and prosecution of a money laundering, terrorist financing or other serious offence.

Mr Buksh acknowledged the continued support received from financial institutions, law enforcement agencies and other relevant agencies that enabled the FIU to effectively carry out its functions in 2012. Mr Buksh said that the work of the FIU not only contributes to the apprehension of criminals and their criminal wealth, but it also supports and protects the integrity and safety of the financial system in Fiji.

The FIU is funded by the Reserve Bank of Fiji.

**Reserve Bank of Fiji**



**Fiji FIU**  
Fiji Financial Intelligence Unit



## PRESS RELEASE

**Press Release No.:** 24/2013  
**Date:** 03 September 2013

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### SPECIALISED TRAINING ON INVESTIGATING MONEY LAUNDERING

15 Police officers from the Northern Division will receive specialised training on investigating money laundering activities and identifying and confiscating tainted proceeds that may be linked to criminal activities.

A two-day workshop will be held on 3-4 September 2013 at the Friendly North Hotel in Labasa on the topic "Money laundering and following the Proceeds of Crime".

Commissioner of Police, Brigadier General Iowane Naivalurua said that the workshop is part of continuing efforts by the Fiji Police Force to build the capacity and skills of investigators to effectively conduct financial investigations and how to follow money trails as provided under Fiji's anti-money laundering laws as well as the recently introduced law on unexplained wealth.

The workshop is jointly organised by the Fiji Police Force and the Financial Intelligence Unit (FIU) with funding from the Reserve Bank of Fiji.

The Director of the FIU, Mr Razim Buksh said that the FIU is happy to team up again with the Fiji Police Force to run this workshop. A similar workshop was held in late 2012 for police investigators in the western division. Mr Buksh said that investigators play an important role in the fight against complex crimes such as money laundering. Proceeds that are linked to criminal activities such as fraud, corruption, tax evasion and other crimes need to be laundered so that the monetary proceeds are transformed and hidden and are difficult to trace by the law enforcement authorities. Therefore, the investigators need to be thoroughly aware of the investigative techniques and the need for coordination and networking between the relevant agencies. This partnership between the FIU and the Fiji Police Force is recognition of the important role that the Fiji Police Force plays in this area.

The Labasa workshop will be attended by crime officers, crime sergeants and fraud investigators based at various Police Stations from Labasa, Nabouwalu, Savusavu, Seaqaqa, Taveuni and Tukavesi.

**Reserve Bank of Fiji**



**Fiji FIU**  
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## PRESS RELEASE

**Press Release No.:** 25/2013  
**Date:** 05 September 2013

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### MONEY SCAM ON INDIVIDUALS POSING AS OFFICIALS OF THE LAND TRANSPORT AUTHORITY

The Financial Intelligence Unit (FIU) would like to warn and advise members of the public to exercise extreme caution when dealing with individuals posing as officials of the Land Transport Authority (LTA).

The Director of the FIU, Mr Razim Buksh said that a number of cases have been recently brought to the attention of the FIU whereby more than 50 locals, particularly from the Western Division have fallen victim to a carefully planned scam and have lost money ranging from \$100 to \$1,100 totalling some \$30,000 within two months.

Mr Buksh said that the scam involves an organised group of a few individuals who pose as LTA officers and convince customers to deposit cash into personal bank accounts of the conspirators in return of LTA services. Money deposited is immediately withdrawn at various ATMs, mostly in the Western Division.

Mr Buksh said that their intelligence has identified some of the victims and is currently working with the Fiji Police Force to establish whether the victims had prior knowledge of the scam and yet got involved to seek the services of LTA dishonestly or by illegal means.

Mr. Buksh would like to warn and advise the general public to: -

1. Exercise diligence when approached by individuals posing to be officials of LTA;
2. Refrain from depositing money into personal bank accounts for payment of LTA services;
3. Follow the procedures and rules of the LTA at all times and not to engage with third parties and middlemen for LTA services;
4. Must obtain a proper receipt from the LTA for any payments made;
5. Must not give their personal bank account information and share their bank cards with others; and
6. Report to the FIU, the LTA or the Fiji Police of any known cases or individuals suspected to be linked to this type of scam.

The FIU will continue to monitor all financial transactions to ensure that Fiji's financial system is safe and remains protected from such criminal activities.

**Reserve Bank of Fiji**



**Fiji FIU**  
Fiji Financial Intelligence Unit



## PRESS RELEASE

**Press Release No.:** 36/2013  
**Date:** 14 November 2013

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### NATIONAL ANTI-MONEY LAUNDERING CONFERENCE

The Financial Intelligence Unit (FIU) today announced that the 4th National Anti-Money Laundering (AML) conference will be held on 20 November 2013 at the Holiday Inn in Suva.

The theme for the conference is “Detecting Money Laundering” and will be opened by the Director of Public Prosecutions, Mr Christopher Pryde. Experienced anti-money laundering practitioners from the private sector financial service providers, the Fiji Police Force, Reserve Bank of Fiji and the Financial Intelligence Unit will be speaking at the conference.

The Director of the FIU, Mr Razim Buksh said that the relevant regulatory and law enforcement authorities as well as the financial institutions need to be more vigilant as the threat posed by money launderers has increased in the past years in Fiji. The protection of our financial system from abuse by criminals is one of the key roles of the FIU.

Mr Buksh said that since 2006, a total of 4,054 suspicious transactions were reported by various financial institutions including designated non-financial businesses and professions, such as, the real estate agents, lawyers and accountants. The FIU has disseminated intelligence reports relating to 1,642 suspicious transaction reports to its partner agencies which contributed to the detection of hundreds of tax evasion cases and successful prosecution of money

laundering, fraud, corruption and other criminal activities. The FIU has also assisted in identifying and monitoring proceeds of criminal activities and is currently profiling a number of cases on unexplained wealth under the Proceeds of Crime Act.

The conference will allow the public and private sector stakeholders to come together and share their experiences in implementing measures and controls under Fiji’s AML laws.

The conference will also have a panel discussion led by the former High Court Judge, Ms Nazhat Shameem. The panel will include senior representatives from the key financial institution sectors who will deliberate on the role of financial institutions including lawyers and accountants, in detecting money laundering and other serious crimes.

Mr Buksh said that the one day conference will be attended by more than 150 delegates representing law enforcement agencies, relevant government departments, and financial and non-financial entities that are covered by the Financial Transactions Reporting Act and other stakeholders.

The conference is organised by the FIU and supported by the National AML Council and the Reserve Bank of Fiji. For further information, please contact the FIU on telephone 3223333.

**Reserve Bank of Fiji**



**Fiji FIU**  
Fiji Financial Intelligence Unit



## PRESS RELEASE

**Press Release No.:** 37/2013  
**Date:** 15 November 2013

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### USE OF FIJI NATIONAL PROVIDENT FUND/FIJI REVENUE & CUSTOMS AUTHORITY (FNPF/FRCA) JOINT IDENTIFICATION CARD FOR VERIFICATION OF CUSTOMERS

Financial institutions can now use the new FNPF/FRCA Joint Identification Card as a key identification document as part of Fiji's customer due diligence and know your customer requirements.

The Financial Intelligence Unit (FIU) today issued a formal Policy Advisory to financial institutions in Fiji to allow them to rely on the FNPF/FRCA Joint Identification Card to verify their customers' identity when they come to establish a business relationship, open bank accounts or other services, or engage in any financial transactions or services.

The FNPF and FRCA had begun issuing the joint identification card from July 2013 as part of efforts to streamline sharing of information between the two agencies that will maximise tax revenue collections in Fiji and strengthen FNPF members' fund management. The FNPF/FRCA Joint Identification Card is supported by strong processes and systems that would ensure the Card's reliability is enhanced, is secure and is protected.

The Director of the FIU, Mr Razim Buksh said that the FNPF/FRCA Joint Identification Card has been included as one of the primary ID documents under the FTR Regulations. Mr Buksh commended the two agencies for their initiative in rolling out FNPF/FRCA Joint Identification Card and further said that the Card will greatly improve access to formal identification documents by the majority of Fijians who are registered by the two agencies.

Mr Buksh added that in view of the requirement for customers to provide a TIN letter for opening a bank account, the Joint Identification Card will be more convenient for people to carry and use when they engage the services of banks and other financial institutions in Fiji.

In August 2012, the FIU also issued a policy directive to the financial institutions to include the Fiji Voter ID Card as a formal ID document under the FTR Act.

**Reserve Bank of Fiji**

**APPENDIX 5 | MONEY LAUNDERING PROSECUTIONS AND CONVICTIONS**

Date of Conviction	Case Reference No.	Individuals convicted for Money Laundering offence	Sentence
14 April 2011	State vs Anand Kumar Prasad, Reenal Praneel Chandra, Reenal Rajneil Chandra, Deo Narayan Singh, Shirley Sangeeta Chand and Atishma Kirti Singh Criminal Case No: 024 of 2010	3	Convicted and sentenced by the High Court as follows: Anand Kumar Prasad 6 years Deo Narayan Singh 4 years Atishma Kirti Singh 2 years
14 December 2011	State vs Monika Monita Arora Criminal Case No: HAC125 of 2007	1	Convicted and sentenced by the High Court to 7 years imprisonment
16 March 2012	State vs Deepak Rajneel Kapoor and Krishneel Khanaiya Bhol Nath Criminal Appeal No. HAC 042/2009	1	Mr Deepak Rajneel Kapoor pleaded guilty and was sentenced by the High Court to 16 months imprisonment
11 April 2012	State vs Johnny Albert Stephen Criminal Case No: HAC 088 of 2010	1	Convicted and sentenced by the High Court to 7 years imprisonment
1 November 2012	State vs Doreen Singh Criminal Case No. HAC 086 of 2009	1	Convicted and sentenced by the High Court to 6 years imprisonment.
November 2012	State vs Nirmala Devi	1	Convicted and sentenced by the Magistrates Court to 1 year imprisonment suspended for 2 years.
27 September 2012	State vs Kapil Kushant Samy Criminal Case No. 325/2012	1	Convicted and sentenced by the Magistrates Court to 3 year suspended imprisonment
11 October 2013	State vs Robin Surya Subha Shyam Criminal Case No. HAC 146 of 2010	1	Convicted and sentenced by the High Court to 12 years imprisonment
1 November 2013	State vs Faiyaz Khan Criminal Case No. HAC 067 of 2009	1	Convicted and sentenced by the High Court to 5 years imprisonment

## Selected Key Statistics 2009-2013

	Year	2009	2010	2011	2012	2013
<b>Intelligence and Information Reports to Stakeholders</b>	Case Dissemination Reports	196	267	318	246	270
	Information Dissemination Reports	76	147	194	133	160
	Due Diligence Reports	54	43	49	122	46
<b>Notices to Financial Institutions</b>	Alert Notices	4	7	6	8	8
	Directives	6	3	2	4	5
	Year	2009	2010	2011	2012	2013
<b>Transaction &amp; Currency Reports Received by FIU</b>	Cash Transaction Reports	132,547	133,487	144,191	200,404	380,430
	Electronic Fund Transfer Transaction Reports	303,380	315,634	450,849	830,959	1,147,728
	Suspicious Transaction Reports	750	629	728	579	522
	Border Currency Reports	244	223	194	477	459
	Year	2009	2010	2011	2012	2013
<b>Education &amp; Awareness</b>	Number of employees of Financial Institution	83	212	119	453	27
	Number of Financial Institutions	6	6	5	8	1
	Employees of Law Enforcement Agencies	22	110	165	135	232
	National AML Learning Centre- Number Completed Courses	-	22 <sup>10</sup>	59	39	22

<sup>10</sup>National AML Learning Centre launched 2010

# SELECTED KEY EVENTS IN 2013

## JANUARY

- 16 IISS Workshop on Sanction with UN Panel of Experts - Implementing Sanctions: Prospects and Problems IISC Workshop, Auckland, New Zealand
- 29 AML Law Enforcement Working Group Meeting 1/2013
- 30 AML Legal Working Group Meeting 1/2013

## FEBRUARY

- 06 Signed MOA with Israel FIU
- 08 Launch of the RBF/FIU 2013 Workplan
- 21 Joint Working Group Meeting of the AML Legal and Law Enforcement Working Group 1/2013
- 25 Doreen Singh sentenced to 6 years imprisonment for money laundering offence

## MARCH

- 4-8 Review of FATF Standards and Pacific Typologies Workshop, Brisbane, Australia
- 08 Signed MOA with Vanuatu and Samoa FIU

## APRIL

- 04 National AML Council Meeting 1/2013
- 10 Signed MOA with NCLASA
- 15-19 Vanuatu FIU on work attachment
- 16 Compliance Officers Forum for Banks & Finance Companies
- Joint Working Group Meeting of the AML Legal and Law Enforcement Working Group 2/2013
- 23 Compliance Officers Forum for Forex Dealers and Mobile Banking
- 25 Submitted Best Egmont Case Award
- 29 Submitted Fiji's detailed progress report to APG

## MAY

- 6-10 Vanuatu FIU and National Reserve Bank of Tonga Officers on work attachment
- 23 FIU Press Release - Authorities Tackle Unexplained Wealth

## JUNE

- 13 AML Law Enforcement Working Group Meeting 2/2013
- AML Legal Working Group Meeting 2/2013
- 25 FIU Press Release - 2012 Annual Report
- 28 Signed MOA with Russia FIU.

## JULY

- 1-5 Egmont Plenary Meeting, Johannesburg, South Africa
- 03 Signed MOA with FIU Brazil
- 15-19 APG Plenary Meeting held in Shanghai, China
- 30 Joint Working Group Meeting of the AML Legal and Law Enforcement Working Group 3/2013

## AUGUST

- 12-16 Revised International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation Workshop, Singapore
- 14 National AML Council Meeting 2/2013



## SEPTEMBER

- 03 FIU Press Release - Specialised Training on Investigating Money Laundering
- 3-4 Joint Fiji Police Force and FIU Workshop on Money Laundering and Following the Proceeds of Crime, Labasa
- Networking visits and trainings to financial institutions, Labasa
- 05 FIU Press Release - Money Scam on Individuals Posing as Officials of the Land Transport Authority
- 9-13 AFI Global Forum held at Kuala Lumpur, Malaysia
- 23-27 Joint APG and Eurasian Group Annual Typologies Meeting and Capacity Building Workshop, Ulaanbaatar, Mongolia

## OCTOBER

- 7-8 FIU Strategic and Interactive Planning Workshop, Suva
- 11 Robin Surya Subha Shyam was convicted for money laundering offence
- 14 National AML Learning Centre Certificate Presentation Ceremony, Suva
- FIU Press Release - Officers receive certificates on completion of specialized training at the National AML Learning Centre
- Robin Surya Subha Shyam sentenced to 12 years imprisonment for money laundering offence
- 21-25 Nauru and Kiribati FIU Officers on work attachment

## NOVEMBER

- 01 Faiyaz Khan was convicted for money laundering offence
- 4-8 IT Technical Assistance to Cook Islands FIU
- 14 FIU Press Release - National AML Conference
- 15 FIU Press Release - Use of Fiji National Provident Fund/Fiji Revenue and Customs Authority (FNPF/FRCA) Joint Identification Card for Verification of Customers
- Faiyaz Khan sentenced to 5 years imprisonment for money laundering offence
- 20 4th National AML Conference, Suva
- 26 National AML Council Meeting 3/2013

## DECEMBER

- 04 Joint Working Group Meeting of the AML Legal and Law Enforcement Working Group 4/2013.

## GLOSSARY

<b>ABIF</b>	Association of Banks in Fiji
<b>AFI</b>	Alliance for Financial Inclusion
<b>AML</b>	Anti-Money Laundering
<b>AMS</b>	Alert and Monitoring System
<b>APG</b>	Asia Pacific Group on Money Laundering
<b>APIFIU</b>	Association of Pacific Islands FIUs
<b>AUSTRAC</b>	Australian Transaction Reports and Analysis Centre
<b>BCR</b>	Border Currency Report
<b>CDR</b>	Case Dissemination Report
<b>CFT</b>	Combating the Financing of Terrorism
<b>CTOG</b>	Counter Terrorism Officials Working Group
<b>CTR</b>	Cash Transaction Report
<b>DMS</b>	Data Mining System
<b>DNFBP</b>	Designated Non-Financial Business and Profession
<b>DPR</b>	Detailed Progress Report
<b>EAG</b>	Eurasian Group
<b>EFTR</b>	Electronic Funds Transfer Report
<b>ESW</b>	Egmont Secure Website
<b>FATF</b>	Financial Action Task Force
<b>FFIMSO</b>	Fiji FIU Information Management System Online
<b>FICAC</b>	Fiji Independent Commission Against Corruption
<b>FINTWG</b>	Financial Integrity Working Group
<b>FIU</b>	Financial Intelligence Unit
<b>FRCA</b>	Fiji Revenue and Customs Authority
<b>FTR</b>	Financial Transactions Reporting
<b>MER</b>	Mutual Evaluation Report
<b>MOA</b>	Memorandum of Agreement
<b>ODPP</b>	Office of the Director of Public Prosecutions
<b>RBF</b>	Reserve Bank of Fiji
<b>STR</b>	Suspicious Transaction Report



**Fiji FIU**  
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