

PRESS RELEASE

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Financial Intelligence Unit Annual Report 2010

The Financial Intelligence Unit (FIU) released its 2010 Annual Report today. The report was tabled at the Cabinet meeting this 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 2010. The FIU is responsible for the administration and enforcement of the Financial Transactions Reporting (FTR) Act, a legislation aimed at preventing and detecting money laundering and other criminal activities in Fiji such as financial fraud, corruption and tax evasion.

The Director of the FIU, Mr. Razim Buksh said the FIU has progressed very well in terms of implementing and managing the requirements of the FTR Act in the last five years since it was established by the Fiji Government. Mr. Buksh said that he was pleased with the performance and outcomes of FIU intelligence that led to successful investigation and prosecution of major fraud cases in Fiji. In recent years the FIU has also been instrumental in tracing proceeds of crime more effectively as soon as financial transactions that are suspicious and unusual in nature are conducted at the financial institutions.

Mr. Buksh said that the FIU, in partnership with key government agencies and the private sector, continued to implement important anti-money laundering (AML) initiatives during 2010. This also enabled Fiji to strengthen compliance with international AML requirements.

In 2010, the FIU received 629 suspicious transaction reports and disseminated 267 intelligence reports to law enforcement agencies for further investigation of possible money laundering and other serious offences. From these intelligence reports, the FIU identified over 120 cases of possible tax evasion.

The FIU maintains over 1,000,000 financial transactions information in its database.

The FIU continued to provide assistance to local law enforcement agencies relating to ongoing investigations. The FIU also provided assistance to other Government agencies through conducting background checks on persons or entities of interest.

In the last 5 years, the FIU handled 2,341 suspicious transaction reports, 303,585 cash transaction reports, 714,873 international funds transfer reports and 665 border currency declaration reports. During this period, the FIU developed and disseminated 839 intelligence case reports to law enforcement agencies and provided investigative assistance for 293 requests.

These resulted in a number of successful investigations and convictions of complex crimes such as money laundering, fraud, cyber crime, tax evasion, tax & customs fraud, corruption and abuse of office, currency smuggling, drug trafficking, and other serious offences. Another notable contribution the FIU has made was on the “non conviction based” forfeitures of properties under the Proceeds of Crime Act.

On the international front, Mr. Buksh said that the FIU’s membership of the Egmont Group of international FIUs from 2009 has strengthened Fiji’s networking and information exchange mechanism with other jurisdictions.

On the regulatory front, Mr. Buksh said that the FIU has been vigilant in enforcing the FTR Act and this, among other things, led to the revocation of the licence of a foreign exchange dealer, closure of an unlicensed bank, and issuance of a number of alert notices and directives by the FIU for compliance by commercial banks and other financial institutions that are covered under the FTR Act.

Since the issuance of the FTR Regulations in 2007, the FIU continued to provide guidance on Know Your Customer (KYC) and Customer Due Diligence (CDD) requirements.

Mr. Buksh said that the FIU has also worked collaboratively with other agencies of the Fiji Government and various other stakeholders by ensuring that FIU’s KYC and CDD requirements supported reforms and programmes that are aimed at promoting financial literacy, financial inclusion, microfinance, social welfare programmes, rural development and innovative financial transaction technologies, including the introduction of mobile phone banking services in Fiji.

The FIU’s annual conference in 2009 and 2010 has also promoted the role of the FIU and its partner agencies. The FIU is actively involved with the National AML Council and the working groups on national AML policy formulation and domestic networking. The FIU has also been working closely with the Ministry of Defense on national and border security issues.

The Attorney-General, Mr. Sayed-Khaiyum acknowledged and thanked the Reserve Bank of Fiji for providing funding support to the FIU since 2006.

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