National Anti-Money Laundering Council
Established under the Financial Transactions Reporting Act

FIJI'S NATIONAL RISK ASSESSMENT ON

MONEY LAUNDERING, TERRORIST FINANCING AND PROLIFERATION FINANCING

OCTOBER 2025

TABLE OF CONTENTS

Endorsed by the National Anti-Money Laundering Council on 15 October 2025

1. INTRODUCTION

Fiji's National Risk Assessment (NRA) aims to identify, assess, and understand the country's money laundering (ML), terrorist financing (TF), and proliferation financing (PF) risks, and to implement measures that effectively mitigate these risks.

The NRA provides risk-based findings and recommendations to guide strategic decision-making. It supports the effective allocation of resources to higher-risk areas, enables law enforcement agencies to focus on priority threats, and assists supervisory authorities and reporting entities in addressing vulnerabilities at the sectoral and national levels.

This NRA 2025 builds on the 2015 NRA and the further updates in 2020 and 2023. This NRA commenced in December 2024 and was completed in July 2025. The National Anti-Money Laundering Council endorsed this NRA Report in October 2025.

2. UNDERSTANDING RISK

Risk occurs when a threat successfully takes advantage of a vulnerability to produce a consequence.[1] Risk is a function of four variables: ***threat, vulnerability, likelihood*** and ***consequence***.

- **Threat:** A threat is a person, group, or activity that can cause harm to the state, society, or the economy through malicious or criminal activity, such as ML, TF, or PF. For the purpose of this NRA, threats identified are evaluated and classified as high, medium or low based on a criterion.[2]

- **Vulnerability:** A vulnerability is a weakness or feature in the national framework, system, or sector that a threat can exploit. These may be inherent features (e.g., cash-based sectors) or residual (after controls). Vulnerabilities may exist at the national, sectoral, institutional, or product/service level.

- **Likelihood:** Likelihood is the probability that a threat will successfully exploit a vulnerability. The combination of threat and vulnerability determines probability.

- **Consequence:** A consequence refers to the actual or potential impact of an ML/TF/PF event, including economic, social, reputational, and institutional harm. For ML, there is generally a positive correlation between the scale of laundered proceeds and the severity of consequences for the jurisdiction.

This NRA evaluates the threats and vulnerabilities related to money laundering, terrorist financing and proliferation financing in order to determine the level of risks.

---

[1] See FATF Guidance-Money Laundering National Risk Assessment Guidance (2024)
[2] Refer to Annex 1 for NRA Methodology

3. MONEY LAUNDERING RISK

Money laundering (ML) is the process of disguising the proceeds of crime using complex transactions in an attempt to legitimise their illicit origin and to enable criminals and their associates to enjoy the profits of their crime without detection. In practice, this involves a series of transactions at various financial institutions and businesses to transfer or convert or store the proceeds of crime.

The overall money laundering risk in Fiji is high.

Money Laundering Risk in Fiji

| THREAT **HIGH** | VUNERABILITY **MEDIUM** | LIKELIHOOD **HIGH** | CONSEQUENCE **HIGH** | = | RISK **HIGH** |

3.1 Money Laundering Threats

Money laundering threats refer to "criminal individuals, groups or entities and their facilitators seeking to conceal the illicit origins of funds through money laundering activities".[3] Evaluating money laundering threats involves understanding Fiji's criminal environment, the types of serious crimes committed and the nature and size of proceeds of crime generated.

The NRA assessed 21 criminal offences ("criminal offences") to identify the most common crimes that generate criminal proceeds and their impact on ML activities, including the estimated proceeds.

The NRA identified the following five "high" ML threats based on available information and statistics, expert judgments, and open-source intelligence.[4]

i. **Narcotics-Related Offences:** Narcotics-related crime poses a high and increasing ML threat in Fiji. The country has seen an increase in illicit drug cases, particularly involving methamphetamines and cocaine. Fiji's geographical location makes it a crucial transhipment route from the United States and South America to the Australian and New Zealand markets. This has led to a spillover into the domestic market, resulting in greater narcotics use within Fiji and the growth of local organised crime groups. There is also a growing locally produced marijuana market, adding to the problem.

ii. **Organised Crime and Racketeering:** Organised crime is a high and increasing ML threat in Fiji. It encompasses a range of high and medium-threat activities, including narcotics trafficking, cybercrime, fraud, and human trafficking. Transnational criminal groups (TCGs), particularly outlaw motorcycle gangs (OMCGs), have strengthened their foothold in Fiji, aided by deportees from countries like the USA, Australia, and New Zealand.

iii. **Taxation and Customs-Related Crimes, including Smuggling:** Tax evasion remains a significant threat in Fiji, encompassing various forms, including direct and indirect taxation, false or non-declaration of income, VAT fraud, and customs duties. Cross-border smuggling is also a problem. These crimes pose a high and increasing ML threat.

---

[3] See FATF Guidance-Money Laundering National Risk Assessment Guidance (2024)
[4] Refer to Annex 2 for criteria for classification of threats.

iv. Environmental Crimes: Fiji faces significant environmental crime challenges, including illegal logging, illegal, unreported, and unregulated (IUU) fishing, wildlife trafficking, and unauthorised mining. These activities generate substantial criminal proceeds and present a high but stable ML threat.

v. Bribery and Corruption: Bribery and corruption are considered a high but stable ML threat in Fiji. While there are no significant cases of grand corruption, individual acts of bribery, forgery, embezzlement, and fraud continue to be concerns. The Fiji Independent Commission Against Corruption has been active in investigating and prosecuting corruption cases.

The following table summarises the money laundering threat categories (high, medium or low) for the 21 criminal offences assessed[5]:

Money Laundering Threats		
ML Threat Level	**Criminal Offence**	**Trend**
High	Narcotics Related Offences	Increasing
High	Participation in Organised Criminal Groups	Increasing
High	Taxation and Customs Crimes, Including Smuggling	Increasing
High	Environmental Crimes	Stable
High	Bribery and Corruption	Stable
Medium	Scams/Fraud/Cybercrime	Increasing
Medium	Sexual Exploitation	Increasing
Medium	Trafficking in Human Beings/Smuggling	Increasing
Medium	Robbery or Theft	Increasing
Medium	Forgery	Stable
Low	Counterfeiting Currency	Stable
Low	Counterfeiting and Piracy of Products	Stable
Low	Kidnapping/ Restraint/Hostage-taking	Stable
Low	Illicit Trafficking in Stolen and Other Goods	Stable
Low	Illicit Arms Trafficking	Stable
Low	Insider Trading and Market Manipulation	Stable
Low	Extortion	Stable
Low	Murder/Grievous Bodily Injury	Stable
Low	Piracy	Stable
Low	Terrorism (including Terrorist Financing)	Stable

---

[5] Refer to Annex 2 for criteria for classification of threats.

Cross-border Flows of Criminal Proceeds

Fiji faces a complex and multi-layered cross-border ML threat environment characterised by its roles as a transit point, a source of illicit funds, a recipient of illicit funds, and a nation impacted by criminal activities whose proceeds do not directly enter its financial system.

An examination of active money laundering investigation cases from 2020 to 2024 reveals a strong international nexus, with one case occurring offshore and six involving activities in Fiji and other foreign jurisdictions. This highlights the transnational nature of the ML threat facing Fiji.

Money Laundering Typologies

Money laundering activities in Fiji range from simple self-laundering to complex schemes.

Basic schemes involve the direct use of criminal proceeds for personal consumption, such as purchasing goods (e.g. motor vehicles and real estate) and services. Intermediate schemes include the use of businesses and layering techniques to obscure the origins of funds.

Complex schemes involve multinational networks and sophisticated front operations, often orchestrated by TCGs or OMCGs, based on investigations by law enforcement in Fiji and neighbouring countries, such as Australia and New Zealand. These schemes may involve multiple jurisdictions and high-value assets, making detection and enforcement challenging.

MONEY LAUNDERING THREATS IN FIJI

HIGH THREATS FOR MONEY LAUNDERING IN FIJI

NARCOTICS-RELATED OFFENCES	ORGANISED CRIME AND RACKETEERING	TAX & CUSTOMS-RELATED OFFENCES	ENVIRONMENTAL CRIME	BRIBERY & CORRUPTION

MEDIUM THREATS FOR MONEY LAUNDERING IN FIJI

Scams/Fraud/Cybercrime
Sexual Exploitation
Trafficking in Human Beings/Smuggling
Robbery or Theft
Forgery

LOW THREATS FOR MONEY LAUNDERING IN FIJI

Counterfeiting Currency
Counterfeiting and Piracy of Products
Kidnapping/Restraint/Hostage-taking
Illicit Trafficking in Stolen and Other Goods
Illicit Arms Trafficking
Insider Trading and Market Manipulation
Extortion
Murder/Grievous Bodily Injury
Piracy
Terrorism

3.2 National Vulnerabilities to Money Laundering

At a national level, Fiji's (residual) vulnerability to money laundering is assessed as "medium". This was based on an evaluation of factors at a national level that contribute to combating money laundering[6].

3.3 Sectoral Vulnerabilities to Money Laundering

The NRA assessed 25 sectors in Fiji to understand their inherent vulnerabilities to money laundering by evaluating their:

- Size and structure
- Transactional vulnerabilities
- Customer vulnerabilities
- Products/Service vulnerabilities
- Typologies or methods of money laundering

The internal controls to mitigate money laundering risk within each sector was also evaluated. This enabled an understanding of each sector's residual (net) vulnerabilities to money laundering.

Overall, Fiji's residual (net) vulnerability at sector level is assessed as "medium".

Money laundering vulnerability (residual) is higher in five sectors in Fiji, namely commercial banks, foreign exchange dealers and money changers, payment service providers, real estate agents, and legal practitioners. Their high transaction volumes, diverse (including cross-border and non-face-to-face) customer profiles, and, or multiple products/channels mean existing controls do not yet fully offset inherent vulnerabilities in these sectors.

3.4 Sectoral Money Laundering Risks

The five sectors with the highest ML risks are commercial banks, foreign exchange dealers and money changers, payment service providers, legal practitioners and real estate agents. These sectors, characterised by high transaction volumes, diverse customer profiles, and attractive products for ML, continue to face significant risks, even with robust regulatory frameworks.

---

[6] Refer to Annex 3 for an outline of factors evaluated

Sector	Money Laundering Risks	Residual Vulnerability of the Sector
1) Commercial Banks	High	High
2) Foreign Exchange Dealers & Money Changers	High	High
3) Payment Service Providers	High	High
4) Legal Practitioners	High	High
5) Real Estate Agents	High	High
6) Insurance Companies and Brokers	Medium	Medium
7) Capital Markets	Medium	Medium
8) Credit Institutions	Medium	Medium
9) Accountants	Medium	Medium
10) Dealers in Precious Metals & Stones	Medium	Medium
11) Dealers in Motor Vehicles	Medium	Medium
12) Pawnbrokers	Medium	Medium
13) Dealers in Marine Vessels	Medium	Medium
14) Superannuation	Low	Low
15) Development Bank	Low	Low
16) Virtual Assets & Virtual Asset Service Providers	Low	Low
17) Company & Trust Service Providers (other than lawyers and accountants)	Low	Low
18) Cooperatives and Credit Unions	Low	Low
19) Casino Sector (none in existence)	Low	Low
20) Gaming Providers (other than casinos)	Low	Low
21) Dealers in Aircraft	Low	Low
22) Moneylenders	Low	Low
23) Dealers in Art, Antiques & Jewellery (other than DPMS)	Low	Low
24) Travel Agents	Low	Low
25) Unregulated and Informal Providers	Not rated as insufficient data and information on this sector	

3.5 Consequences of Money Laundering

Consequences of money laundering in Fiji is considered "high".

Money laundering pose significant (i.e. high) negative consequences across four key dimensions: economic stability, social well-being, reputation, and governance. Money laundering from high-threat crimes such as narcotic trafficking causes severe social harm, public health risks, and weakens trust in institutions. At the same time, medium threats like scams, fraud and cybercrime have significant harmful effects on individuals and communities. Although low-threat offences have limited impact, the cumulative effect of ML across sectors erodes national resilience and hampers sustainable development.

Reputationally, jurisdictions with weak anti-money laundering measures risk being placed on the FATF grey list, which can limit correspondent banking relationships (CBRs) and restrict access to global financial systems. These reputational setbacks create a ripple effect, compounding economic and social challenges. Even if not placed on the FATF grey list, poor performance can exacerbate derisking and the loss of CBRs.

SECTOR VULNERABILITIES TO MONEY LAUNDERING

HIGH VULNERABILITY TO MONEY LAUNDERING IN FIJI

HIGH ML RISK

| COMMERCIAL BANKS | FOREIGN EXCHANGE DEALERS AND MONEY CHANGERS | PAYMENT SERVICE PROVIDERS | LEGAL PRACTITIONERS | REAL ESTATE AGENTS |

MEDIUM VULNERABILITY TO MONEY LAUNDERING IN FIJI

MEDIUM ML RISK

Insurance Companies and Brokers, Capital Markets, Credit Institutions, Accountants, Dealers in Precious Metals & Stones, Dealers in Motor Vehicles, Pawnbrokers, Dealers in Marine Vessels

LOW VULNERABILITY TO MONEY LAUNDERING IN FIJI

LOW ML RISK

Superannuation, Development Bank, Virtual Assets & Virtual Asset Service Providers, Company & Trust Service Providers (other than lawyers and accountants), Cooperatives and Credit Unions, Casino Sector (none in existence), Gaming Providers (other than casinos), Dealers in Aircraft, Moneylenders, Dealers in Art, Antiques & Jewellery (other than DPMS), Travel Agents

4. TERRORIST FINANCING RISK

Terrorist financing (TF) is the financing of terrorist acts, and of terrorists and terrorist organisations.[7] Funds may be from legitimate (e.g. voluntary donations, legal income) or illegitimate source (e.g. fraud, illicit trade in goods) however its purpose is to make funds available to persons or organisations who may use them to commit a terrorist act locally or abroad.

The overall terrorist financing risk in Fiji is low.

Terrorist Financing Risk in Fiji

| THREAT **LOW** | VUNERABILITY **MEDIUM** | LIKELIHOOD **LOW** | CONSEQUENCE **MEDIUM** | = | RISK **LOW** |

4.1 Terrorist Financing Threats

Fiji's overall threat from terrorist financing is considered low.[8]

Active Terrorist Threat (Low, Stable): Fiji's active internal terrorism threat is assessed as low and stable, reflecting the absence of designated terrorist organisations or any incidents of terrorism. The country is not classified as a high-risk area by the Global Terrorism Index. Although it remains aware of potential spillover risks from regions such as Southeast Asia and the Middle East, there is limited evidence to suggest any significant current terrorist activity or right-wing extremism within its borders.

Sympathisers (Medium, Increasing): The potential threat posed by sympathisers in Fiji is rated as medium and increasing. This category considers individuals who may support extremist ideologies and the potential for these sympathisers to provide funding, logistical support, or other resources to terrorist entities, or travel to conflict zones in support of such groups. Fiji's multicultural population and the presence of non-profit organisations with ties to high-risk regions contribute to this threat, which is further amplified by travel and remittance flows between Fiji and areas known for active terrorism.

Neighbours (Low, Stable): Fiji faces a low and stable potential threat from its neighbours, where potential risks arise from regional terrorist activity. Although some nearby jurisdictions, particularly in South and Southeast Asia, display higher terrorism risks, immediate neighbours such as Australia, New Zealand, and other South Pacific nations present minimal threats. Moreover, while South Asia has historically been exposed to terrorism, improvements in the region help maintain a generally stable security environment for Fiji.

Finance, Trade, and Transportation Hub (Low, Stable): As an emerging finance, trade, and transportation hub, Fiji has some inherent vulnerabilities that could be exploited for TF flows. Despite a well-developed banking sector and a strategic geographic location that facilitates regional and international trade, Fiji has not yet fully established itself as a financial hub. The transit-related risks associated with this role are considered low, as the specific characteristics of TF, such as its reliance on discreet, low-volume transactions, make it less likely to exploit these vulnerabilities compared to other

---

[7] FATF Recommendation
[8] Refer to Annex 2 for criteria for classification of threats.

transnational crimes. On foreign fighters, Fiji's geographic location does not make it an attractive transit or transportation hub for this purpose.

Strategic Goods and Services (Low, Stable): The potential threat from TF through the supply of strategic goods and services in Fiji is minimal. The country does not significantly engage in providing military equipment, arms, or other strategic resources to regions with active terrorist threats. Consequently, the threat related to the export or transfer of such goods remains low and stable, with little evidence to suggest that domestic or foreign entities are contributing to increased vulnerability in this area.

Potential Terrorist Financing Flows: Even in the absence of any detected TF case, Fiji's TF risk profile remains differentiated across flow types. Internal and transit threats remain low and stable, while incoming cross-border inflows are also low given their concentration in low-risk corridors. The outgoing potential threat is assessed as medium, with an upward trajectory.

4.2 National Vulnerabilities to Terrorist Financing

Fiji's residual (net) vulnerability to terrorist financing at the national level is assessed as "medium". This was based on an evaluation of factors at a national level that contribute to combating terrorist financing[9].

However, several additional factors specific to terrorist financing were considered as outlined below.

Policy and Strategy on Combating Terrorist Financing: Fiji updated its National AML/CFT Strategy in 2018, following the 2015 NRA, and prioritised TF based on global risks. Fiji has developed a National Counter-Terrorism Strategy.

Legal Framework for Terrorist Financing: Fiji's legal framework for terrorist financing is robust and is criminalised under the Proceeds of Crime Act, and the Public Order (Amendment) (No. 2) Act 2017 has broadened the definition of the terrorist financing offence to comply with international standards. Furthermore, Fiji has counter terrorism legal provisions in the Public Order Act.

Investigation Capacity: The Fiji Police Force, through its Counter-Terrorism Unit and the AML/POCA unit, is equipped to monitor and investigate terrorist financing , supported by sufficient resources.

Targeted Financial Sanctions: Fiji's legal framework for targeted financial sanctions related to terrorist financing is provided in the Public Order Act. There are some gaps regarding targeted financial sanctions provisions which authorities are working to address.

4.3 Sectoral Vulnerabilities to Terrorist Financing

The NRA assessed 25 sectors in Fiji to understand their inherent vulnerabilities to terrorist financing. The internal controls to mitigate terrorist financing risk within each sector was also evaluated. This enabled an understanding of each sector's residual (net) vulnerabilities to terrorist financing.

---

[9] Refer to Annex 3 for an outline of factors evaluated

At a sector level, (residual) vulnerability to terrorist financing is "medium".

Within these, commercial banks, foreign-exchange dealers, and payment-service providers exhibit relatively higher vulnerabilities to terrorist financing because they handle large-value or high-volume transactions, including cross-border transactions with higher risk jurisdictions.

Other financial institutions and DNFBPs (except those rated highly, i.e. legal practitioners and real estate agents) remain medium or low due to lower transaction volumes and tighter product scopes.

In the non-profit sector, while the potential exists for abuse and diversion of funds, particularly among NPOs with links to high-risk regions, the evidence does not suggest a significant vulnerability for terrorist financing.

4.4 Terrorist Financing Consequences

The consequences, if Fiji fails to mitigate the threat of terrorist financing adequately and the latter eventuates, are assessed as "medium".

There may be economic, reputational, and security implications. Economically, Fiji may experience slight reductions in foreign investment and trade, along with higher costs for financial institutions due to increased compliance requirements. However, the overall impact on the economy is likely to be manageable, and Fiji's financial sector should be able to adapt to these challenges.

Reputational damage could occur to a limited extent, potentially affecting access to USD correspondent banking relationships. Thus, it could be damaging, given the dominance of the USD in international trade.

Overall, while there are potential concerns, the constrained nature of the TF threat means that any consequences would likely be contained and manageable, ensuring that Fiji's economic and financial stability remains largely unaffected.

TERRORIST FINANCING RISK: LOW

- Fiji's terrorist financing risk is LOW.
- There are no designated terrorist groups, incidents, or foreign fighters.
- While some travel to high-risk countries exist, there's no evidence of active threats.
- Fiji has strong terrorist financing laws and capacity to respond to a terrorist financing incident if needed.

5. PROLIFERATION FINANCING RISK

Proliferation financing (PF) refers to the provision of funds or financial services utilised in the manufacture, acquisition, possession, development, export, trans-shipment, brokering, transport, transfer, stockpiling, or use of nuclear, chemical, or biological weapons, including their means of delivery and related materials. The proliferation of weapons of mass destruction (WMD) poses a significant threat to international peace and security, a concern underscored by numerous United Nations Security Council Resolutions (UNSCRs) and the FATF.

In the specific context of FATF Recommendation 1, PF risk is strictly defined as the potential breach, non-implementation, or evasion of the targeted financial sanctions (TFS) obligations outlined in FATF Recommendation 7. This definition is intentionally narrow, focusing on the circumvention of UN-imposed TFS related to WMD proliferation, concerning only the Democratic People's Republic of Korea (DPRK) and Iran.

This PF risk assessment focuses on FATF Recommendation 1 (R.1) regarding risk assessment. R.1 states that countries must identify, assess, understand, and mitigate the risks of potentially breaching, not implementing, or evading TFS obligations related to the DPRK and Iran.

The proliferation financing risk in Fiji is low and stable.

Proliferation Financing Risk in Fiji

THREAT **LOW**	VUNERABILITY **MEDIUM**	LIKELIHOOD **LOW**	CONSEQUENCE **LOW**	=	RISK **LOW**

5.1 Proliferation Financing Threats

The direct proliferation financing threats to Fiji is "low".[10]

There is no evidence of financial and trade links between Fiji and the DPRK and Iran, nor any confirmed sanction evasion activities. There is limited evidence of DPRK or Iranian investments or business interests in Fiji and the shipping registry is a "closed" registry (requiring a proportion of the crew to be Fijian nationals and prohibits the vessel from being 100% foreign-owned or controlled).

There are no licensed virtual asset service providers operating in Fiji, and the few offshore providers present are not actively operating in the country. Since Fiji lacks local crypto exchanges, there is little incentive for DPRK to target it.

Although the overall threat level is considered low, potential sanctions evasion activities, including cyber-enabled circumvention activities, that contravene UNSC sanctions on the DPRK contribute to an environment where PF threats may arise.

---

[10] Refer to Annex 2 for criteria for classification of threats.

5.2 Proliferation Financing Vulnerabilities

Fiji's residual (net) vulnerability to proliferation financing at the national level is assessed as "medium". The factors outlined in Annex 3 also influence proliferation financing risk, albeit to varying degrees.

At a sector level, the residual (net) vulnerability to proliferation financing is assessed as "medium". The sectors most vulnerable to proliferation financing are commercial banks, foreign exchange dealers, and payment service providers. For proliferation financing specific sectors, Fiji's maritime shipping registry remains inherently vulnerable.

5.3 Proliferation Financing Consequences

Successfully evading targeted financial sanctions on proliferation financing can result in medium-level consequences.

Economically, Fiji could face some reputational challenges, potentially leading to careful consideration from foreign investors and international financial institutions. While these issues may pose some hurdles, they are unlikely to significantly hinder economic growth or access to global markets.

Legally and politically, Fiji may face diplomatic pressure for not fully meeting its international obligations, particularly regarding the enforcement of sanctions. This could have a mild impact on relationships with regional partners and international organisations but is not expected to cause severe strains.

Furthermore, the lack of effective implementation of targeted financial sanctions on proliferation financing may exert some pressure on Fiji's commercial banks' ability to maintain correspondent banking relationships, particularly in USD transactions. The overall impact is expected to be low.

PROLIFERATION FINANCING RISK: LOW

- Fiji's proliferation financing risk is rated LOW.
- There's no trade, remittance, investment, or notable presence from either North Korea or Iran.
- Fiji's closed shipping registry and lack of active crypto exchanges further reduces exposure.
- No evidence links Fijian vessels or financial channels to designated entities.

6. ANNEXURES

Annex 1: NRA Methodology

The FATF Money Laundering National Risk Assessment Guidance 2024, the FATF Terrorist Financing Risk Assessment Guidance 2019, and the FATF Guidance on Proliferation Financing Risk Assessment and Mitigation 2021 guided the methodology used for Fiji's NRA. Additionally, the World Bank's National Risk Assessment Tool provided practical tools, as amended to reflect the latest FATF guidance, for conducting the ML and TF components of the NRA. A review of published NRAs and mutual evaluation reports provided invaluable lessons for crafting Fiji's NRA.

All components of the NRA analyse the following key elements of the risk equation:

Risk = Likelihood (Threat x Vulnerability) x Consequence

The following is a simplified diagram showing the overall framework of Fiji's NRA:
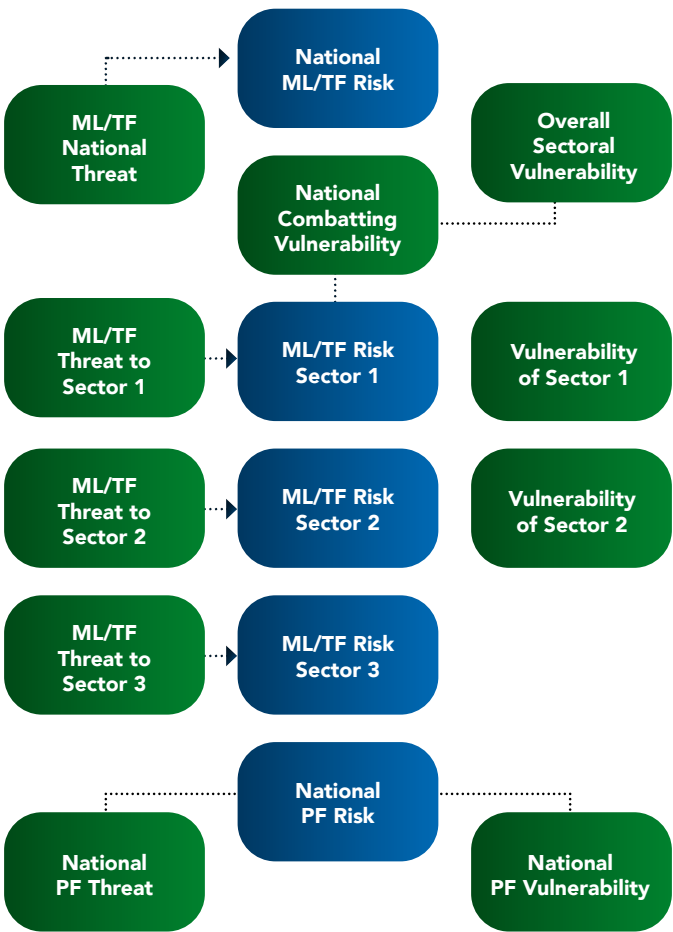
Fiji's NRA implemented a three-tiered risk rating system: high (H), medium (M), or low (L) using a seven-step scoring framework aligned with the FATF 2024 Money Laundering NRA Guidance. This framework includes both inherent and residual risk assessments and applies consequences to determine overall risk levels.

Annex 2: Rating Categories to Assess Threats

The following table outlines the indicators used to assess whether a *money laundering threat* is classified **as high, medium or low.**

Criteria for High, Medium and Low ML Threat			
Threat Rating	Criminal Actors and ML Methods	Cross-Border and Transnational	Nature, Extent and Scale of Crimes	Estimated Proceeds of Criminal Offences Annually (FJ$)
High	Significant involvement of organised crime groups, politically exposed persons (PEPs), and professional enablers in ML and the use of sophisticated ML methods.	Frequent cross-border movement of illicit funds; exploitation of international financial systems; a high number of foreign ML threats;	Multiple high-value serious crimes with significant financial impact; widespread ML cases linked to organised crime and corruption; nationwide, multi-sector, multi-channel.	Above FJ$40 million
Medium	There is some involvement of organised crime, but ML is mainly opportunistic, relying on traditional methods such as cash-based ML and limited use of emerging ML techniques.	Some cross-border ML activity exists, but it is limited in scale, and vulnerabilities in monitoring financial flows persist.	Moderate presence of serious crimes, with a lower financial impact; ML is linked to some organised groups but not widespread; several sectors/regions affected; some channels.	Between FJ$1 million - 40 million
Low	Minimal involvement of organised crime or professional enablers; ML methods are unsophisticated and primarily involve small-scale cash transactions.	Minimal evidence of cross-border ML risks.	Low prevalence of serious crimes with limited financial impact; ML cases are infrequent and linked to minor crimes; isolated cases; single sector/region.	Below FJ$1 million

The analysis covered the 21 FATF criminal offences ("criminal offences") to identify the most common ones that generate criminal proceeds and their impact on ML activities, including the estimated proceeds.

There is insufficient data to estimate the total proceeds for each of the 21 criminal offences Therefore, Fiji has adopted the approach of estimating a range for high, medium, and low threats. The broad thresholds are general indicators for guiding AML/CFT resource allocation.

The proposed classifications include high for criminal proceeds over FJ$40 million, medium for FJ$1 million to FJ$40 million, and low for under FJ$1 million, annually. The estimates are based not only on what authorities know but also what is unknown, recognising that not all crimes are detected and investigated. This includes instances where the crime is committed in Fiji, such as smuggling and illegal fishing, but the proceeds derived from the offence (wholly or partly) are received and retained outside Fiji. They are included in the estimates of criminal proceeds.

While the estimated amount of criminal proceeds is a key factor in assessing ML threats, it is not sufficient on its own. Other important indicators include the nature, extent and scale of ML, the involvement of criminal actors such as organised groups, the cross-border movement of funds, and the complexity of laundering methods. Together, these factors provide a more comprehensive picture of the ML threat.

They are also not equally weighted, with the most significant weight given to the estimated criminal proceeds. The inclusion of a criminal offence in the high threat category does not require the presence of all elements; however, the extent to which they are present contributes to the threat assessment rating.

The following table provides the criteria for categorising terrorist financing threats as high, medium, or low:

Criteria for High, Medium and Low TF Threat	
Threat Level	Description of Threat Level
Low	Minimal or no evidence of terrorist financing activities.
Medium	Moderate evidence or potential indications of terrorist financing activities.
High	Significant and persistent evidence of terrorist financing activities and threats.

The following table provides the criteria for categorising **proliferation financing threats** as **high, medium or low.**
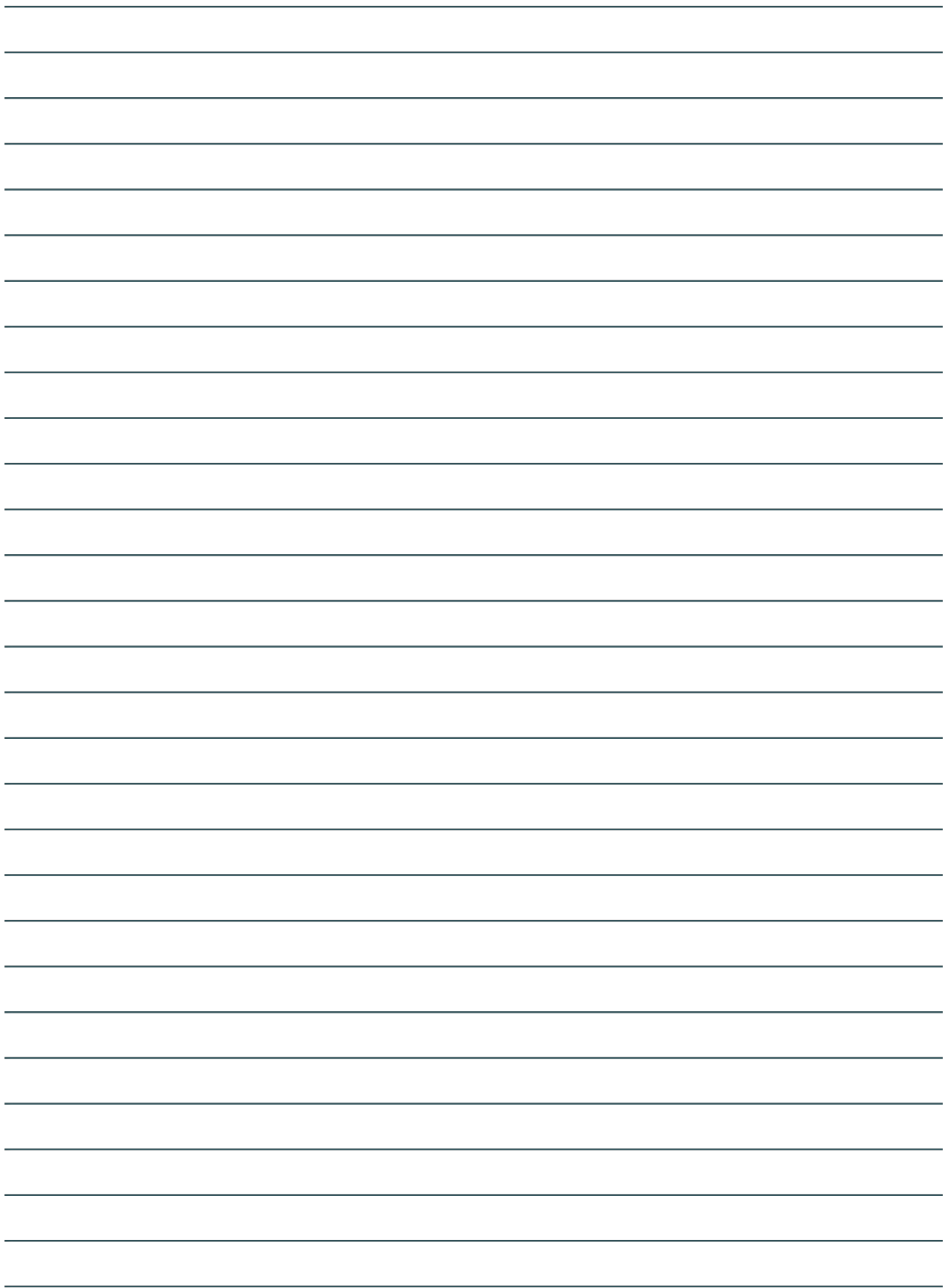
Criteria for High, Medium and Low PF Threat	
Threat Level	Description of Threat Level
Low	There is minimal or no evidence of PF linked to DPRK or Iran. This level indicates that no meaningful connection is found between transactions or financial channels and the financing of proliferation activities, with only isolated or non-systemic instances detected.
Medium	Moderate evidence or indications of PF activities associated with DPRK or Iran. This level encompasses scenarios where there are sporadic or indirect links, but the evidence is neither pervasive nor conclusive.
High	Significant and persistent evidence of PF activities directly or indirectly linked to DPRK or Iran. At this level, there are clear patterns, multiple indicators, or systemic financial arrangements supporting the proliferation of weapons or related technologies, often involving state apparatus or established networks.

Annex 3: National Factors Evaluated to Assess Fiji's Vulnerability to Money Laundering, Terrorist Financing and Proliferation Financing

Nationwide Vulnerability Indicators	
#	Indicator
1	Economic & Geographic Structure
2	Quality of AML/CFT Policy & Strategy
3	ML Crime Definition & Detection
4	Comprehensiveness of the Asset Forfeiture Framework
5	Quality of FIU Intelligence Gathering & Processing
6	Capacity & Resources for Financial-Crime Investigations (incl. AF)
7	Integrity & Independence of Financial-Crime Investigators (incl. AF)
8	Capacity & Resources for Financial-Crime Prosecutions (incl. AF)
9	Integrity & Independence of Financial-Crime Prosecutors (incl. AF)
10	Capacity & Resources for Judicial Processes (incl. AF)
11	Integrity & Independence of Judges (incl. AF)
12	Border Management & Customs Controls
13	Quality of Domestic Co-operation
14	Quality of International Co-operation
15	Level of Financial Integrity
16	Effectiveness of Tax Enforcement
17	Availability of Independent Audit
18	Availability of Reliable Identification Infrastructure
19	Availability of Other Independent Information Sources
20	Availability & Access to Beneficial-Ownership Information

Annex 4: Abbreviations and Acronyms

Abbreviation or Acronym	Full Name / Description
AML	Anti-Money Laundering
DNFBP	Designated Non-Financial Businesses and Professions which include legal practitioners, accountants and real estate agents
DPMS	Dealers in Precious Metals & Stones
ML	Money Laundering
NRA	National Risk Assessment
OMCGs	Outlaw motorcycle gangs
PF	Proliferation Financing
TF	Terrorist Financing
TFS	Targeted Financial Sanctions
TCGs	Transnational Criminal Groups