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## GOVERNANCE STRUCTURE

### 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. 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, 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 before each new financial 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 and outcomes.

### FIU Governance and Accountability Framework

MINISTER FOR JUSTICE	GOVERNOR & RBF BOARD	DIRECTOR FIU	NATIONAL AML COUNCIL
<ul style="list-style-type: none"> <li>Minister responsible for the FIU under the FTR Act.</li> <li>Delegated his responsibilities under the FTR Act to the Governor of the RBF in 2005.</li> </ul>	<ul style="list-style-type: none"> <li>Responsible for the administration of the FIU under the delegation of powers from the Minister for Justice.</li> <li>Responsible for the approval of FIU annual budget.</li> </ul>	<ul style="list-style-type: none"> <li>Responsible for the powers, functions and duties of the FIU as specified in the FTR Act.</li> <li>Reports directly to the Governor of the RBF.</li> </ul>	<ul style="list-style-type: none"> <li>Responsible for providing advice and assistance to the FIU on the prevention of money laundering and terrorist financing activities in Fiji.</li> <li>Provides recommendations to the Minister and Governor on the appointment of the Director.</li> </ul>

### Reporting to the National AML 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 fulltime 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 Fijian Government.

### Operational Governance

As a member of the Egmont Group of international FIUs, the FIU implements world - class operating standards, protocols and procedures on the following key responsibilities:

- international cooperation and information exchange;
- receipt of confidential and sensitive information;
- analysis and intelligence development;
- information security;
- compliance and enforcement actions; and
- operational independence and security.

The FIU also complies with the FATF Recommendation 29 and its Interpretative Note on financial intelligence units.

### Independence of the FIU

While the FIU is administratively dependent on the RBF, the technical functions of the FIU are 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.