

4

OUR ACHIEVEMENTS

A. ANALYSIS OF FINANCIAL INFORMATION RECEIVED

A key function of the FIU is to analyse reports of financial transactions that it receives from financial institutions, members of the public and other agencies in Fiji.

In 2016, the FIU received a total of 1,741,473 financial transaction and other reports. These reports consisted of suspicious transaction reports (STR); cash transaction reports (CTR); electronic funds transfer reports (EFTR) and border currency reports (BCR).

Financial Transaction Reports Received 2012-2016

	2012	2013	2014	2015	2016
STR	579	522	383	516	579
CTR	200,404	380,430	1,042,074	579,849	591,636
EFTR	830,959	1,147,728	1,308,633	1,029,993	1,148,711
BCR	477	459	557	491	547
TOTAL	1,032,419	1,529,139	2,351,647	1,610,849	1,741,473
Monthly Total Average	86,035	127,428	195,971	134,237	145,123

Source: Fiji FIU

The FIU has received nearly 10 million financial transaction reports since 2000.

Financial Transaction Reports Received 2000-2016

	Total Reports Received 2000-2016
STR	7,299
CTR	3,239,730
EFTR	6,617,671
BCR	3,916
TOTAL	9,868,616

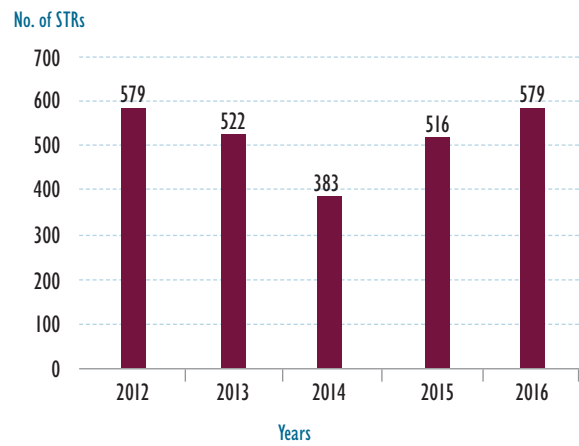
Source: Fiji FIU

Highlights of financial reports received by the FIU in 2016 are provided below. Strategic analysis of financial reports received during 2016 is provided in the strategic analysis section of this Annual Report.

Suspicious Transaction Reports

The FIU received 579 STRs in 2016 or an average of just over 48 STRs per month. This reflects an increase of 12 percent compared to 516 STRs reported to the FIU in 2015.

Suspicious Transactions Reported 2012-2016



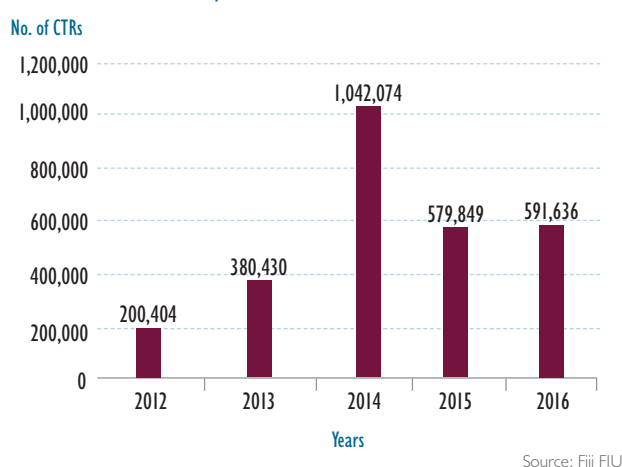
Source: Fiji FIU

Financial institutions are required under section 14 of the FTR Act and section 24 of the FTR Regulations to report suspicious transactions to the FIU. A suspicious transaction is a transaction or attempted transaction which a financial institution has reasonable grounds to suspect may be related to a "serious offence, a money laundering offence or an offence of the financing of terrorism".

Cash Transaction Reports

The FIU received 591,636 CTRs in 2016 or an average of around 49,303 CTRs per month. This is an increase of two percent compared to 579,849 CTRs reported to the FIU in 2015.

Cash Transactions Reported 2012-2016

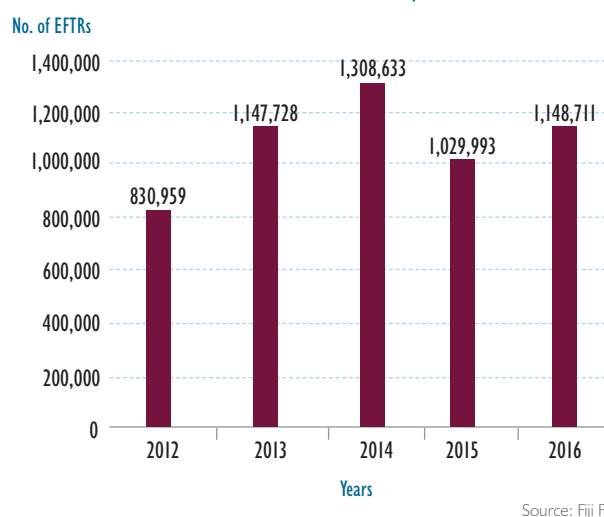


Financial institutions are required under section 13(1) of the FTR Act and section 25 of the FTR Regulations to report to the FIU any cash transaction of \$10,000 and above or its equivalent in foreign currency. Cash includes coin or paper money, bank drafts, bank cheques, bearer bonds, travelers cheques,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

Electronic Funds Transfer Reports

The FIU received 1,148,711 EFTRs in 2016 or an average of around 95,726 per month. This is an increase of 12 percent compared to 1,029,993 EFTRs reported to the FIU in 2015. The increase in the number of EFTRs received in 2016 is largely due to a substantial increase in the volume of remittances undertaken using the mobile phone money remittance sector. This is due to opening up of new corridor for inward remittances by one of the mobile phone companies and significant increases in the volume of transfers from other traditional sending countries such as Germany, Canada, Sweden and Cyprus.

Electronic Funds Transfer Transactions Reported 2012-2016



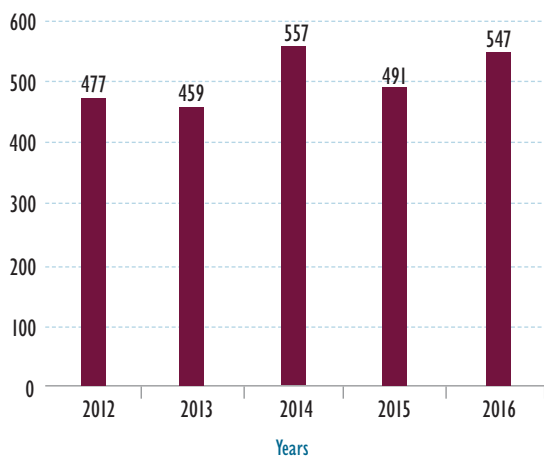
Commercial banks and remittance service providers (including mobile phone money remitters) are required under section 13(2) of the FTR Act and section 26 of the FTR Regulations to report to the FIU all international electronic fund transfer transactions. There is no monetary threshold for EFTRs

Border Currency Reports

In 2016, the FIU received 547 BCRs. This is an increase of over 11 percent compared to 491 BCRs received in 2015. There were more declarations made by outbound travellers compared to inbound travellers.

Border Currency Declarations 2012-2016

No. of BCRs



Source: Fiji FIU

Under section 32 of the FTR Act, travellers into or out of Fiji must declare if they are carrying currency or negotiable bearer instruments of \$10,000 or more (or its equivalent in foreign currency).

BCR Declarations by Direction of Travel 2012-2016

Persons Declaring	2012	2013	2014	2015	2016
Declarations made by inbound travellers	117	141	231	187	265
Declarations made by outbound travellers	360	318	326	304	282
TOTAL	477	459	557	491	547

Source: Fiji FIU

FIUs Reporting and Intelligence Development

As required under section 25(1) of the FTR Act, the FIU is required to analyse and assess all reports and information that it receives. The FIU uses tactical analysis procedures as set out in its standard operating procedures to analyse all STRs and develop intelligence of possible money laundering or other serious offences.

Other reports received by the FIU such as the CTRs and EFTRs while not analysed in detail, provide critical information which is used to analyse STRs. During 2016, the FIU continued to use FFIMSO in its intelligence processes. The FIU used 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 proactively identifies suspicious transactions and reports this weekly to FIU analysts for their further analysis.

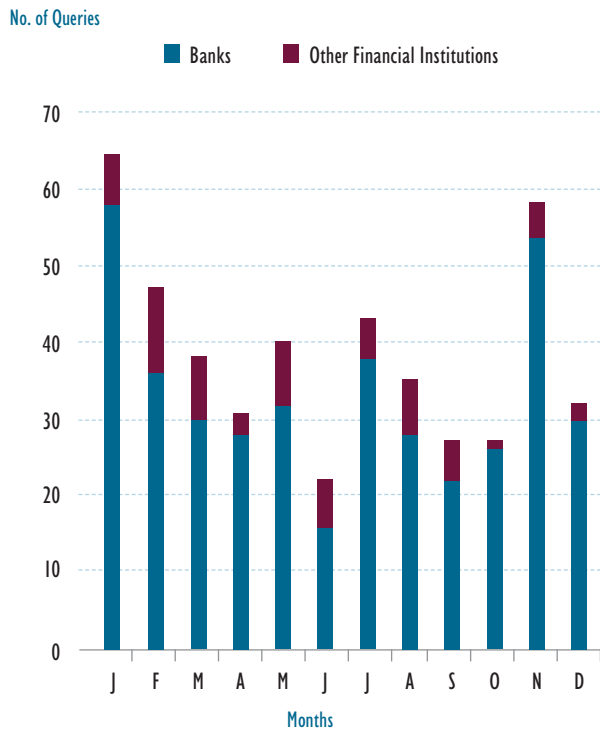
The BCRs are collected by FRCA and sent to the FIU for data mining and analysis for possible currency smuggling, money laundering and related criminal offences.

FIU Enquiries with Financial Institutions

As part of its analysis process, the FIU makes enquiries with financial institutions. The queries are aimed at developing further intelligence on information already provided on the STRs. FIU queries may also be in relation to an ongoing investigation of money laundering offence or proceeds of crime case. The FIU has powers to obtain information from relevant financial institutions under section 14(3) and section 25(1) (h) of the FTR Act.

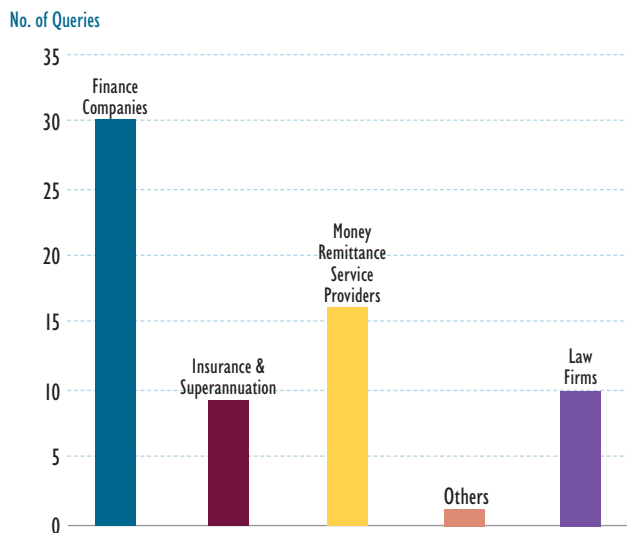
In 2016, a total of 464 queries for further information were made by the FIU to commercial banks (86 percent) and other financial institutions (14 percent).

Monthly FIU Queries to Financial Institutions 2016



Source: Fiji FIU

Financial Institutions (excluding commercial banks) 2016

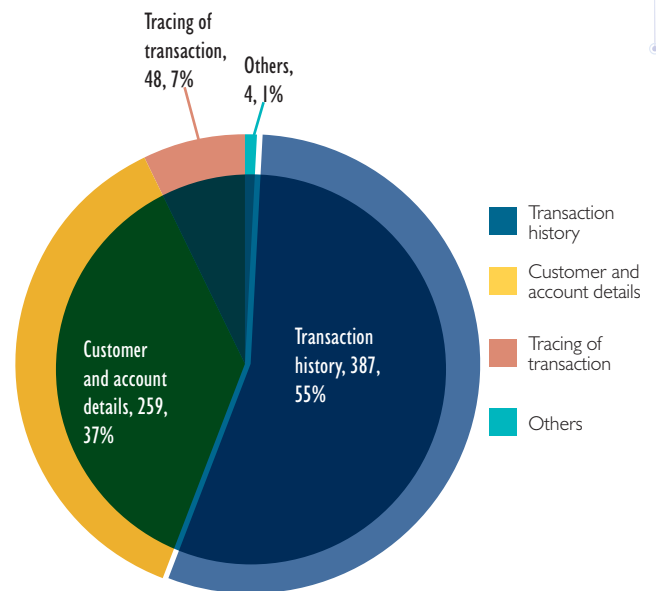


Source: Fiji FIU

The queries sent to financial institutions included requests for:

- customers' transaction history;
- customer identification details;
- customer account details;
- copies of documents such as identification documents;
- customer transaction queries;
- follow ups and clarifications;
- originator information enquiries;
- payment instrument (cheque) details.

Nature of FIU Queries to Financial Institutions 2016



Source: Fiji FIU

B. DISSEMINATION OF FINANCIAL INTELLIGENCE

Intelligence Reports to Law Enforcement Agencies

Disseminating financial intelligence to law enforcement agencies is a core function of the FIU. Financial intelligence enables our law enforcement partners to investigate predicate crimes, money laundering and terrorist financing activities. Furthermore, it provides a basis for prosecution of persons where necessary.

The FIU's intelligence reports also provide profiling of suspected proceeds of crime and proceeds linked to tax evasion.

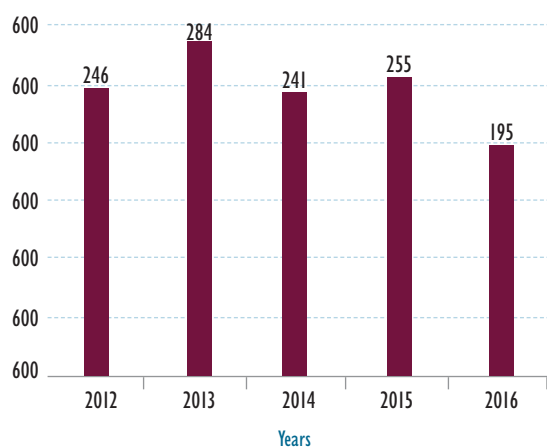
The FIU analyses suspicious transaction and other financial transaction information to develop intelligence.

The results of the FIU's analysis of STRs are disseminated to relevant law enforcement agencies in a case dissemination report (CDR).

In 2016, 195 CDRs were referred to law enforcement agencies compared to 255 CDRs in 2015¹. The CDRs were developed from reports of suspicious transactions received in 2016 and prior to 2016.

Case Dissemination Reports 2012-2016

No. of CDRs



Source: Fiji FIU

Case Dissemination Reports to Law Enforcement Agencies 2012-2016

Law Enforcement Agency and Reason for Dissemination	2012	2013	2014	2015	2016
FRCA- Inland Revenue Services Possible violations under the Income Tax Act and VAT Decree.	168	176	155	166	83
Fiji Police Force *including transnational crime unit Possible violations under the Proceeds of Crime Act and serious offences under the Crimes Decree.	69	67	69	66	58
Immigration Department Possible violations under the Immigration Act and Passport Act.	4	0	1	1	5
FRCA-Customs Division Possible violations under the Customs Act.	0	19	6	5	12
Others ²	5	22	10	20	37
TOTAL	246	284	241	255	195

Source: Fiji FIU

In 2016, 49 percent of the CDRs were disseminated to FRCA while 30 percent of the CDRs were disseminated to the Fiji Police Force. 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 different laws.

The FIU also, after detailed analysis, filed away 284 STRs during 2016 for future intelligence references compared to 515 STRs in 2015. 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.

¹ Due to strict confidentiality requirements, this annual report does not discuss details of cases currently being investigated 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 and have been included in the FIU Strategic Analysis Report.

² Other Law Enforcement Agencies include the Reserve Bank of Fiji and foreign law enforcement agencies.

Alert Notices to Financial Institutions

From time to time, the FIU may need to disseminate alerts or directives to financial institutions in relation to information it has received under the FTR Act.

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 14 such Alert Notices issued by the FIU in 2016 and these involved 41 individuals and one entity. There were five Alert Notices that related to individuals suspected to be linked to possible advance fee fraud.

Alert Notices Issued 2016

Date	Alert Notice Number	Issued To	Details
6 January 2016	1/2016	Commercial banks and money remittance service providers	Possible Advance Fee Fraud
24 March 2016	2/2016	Commercial banks and money remittance service providers	Possible Advance Fee Fraud
1 June 2016	3/2016	Commercial banks and money remittance service providers	Bogus Phone Sales Advertisement
1 June 2016	4/2016	Commercial banks and money remittance service providers	Possible Advance Fee Fraud "Restricted Circulation"
9 June 2016	5/2016	Commercial banks and money remittance service providers	Stolen foreign currencies
4 July 2016	6/2016	Commercial banks and money remittance service providers	Stolen foreign currencies
12 July 2016	7/2016	Commercial banks and money remittance service providers	Possible Advance Fee Fraud

12 July 2016	8/2016	Commercial banks and money remittance service providers	FATF Statement Against Iran
12 July 2016	9/2016	Commercial banks and money remittance service providers	FATF Statement Against Democratic People's Republic of Korea
18 July 2016	10/2016	Commercial banks and money remittance service providers and other FIs	United Nations Security Council Committee Terrorist Watch List
12 September 2016	11/2016	Commercial banks and money remittance service providers	Possible Advance Fee Fraud
3 October 2016	12/2016	Commercial banks and money remittance service providers	Possible Advance Fee Fraud
17 December 2016	13/2016	Commercial banks and money remittance service providers	Stolen foreign currencies
30 December 2016	14/2016	Commercial banks	Forged Unit Trust Letter

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 only one such directive in 2016 to a commercial bank. The directive issued was in relation to the following:

- undertaking enhanced due diligence on customers;
- establishing source of funds;
- ascertain the ultimate destination of any subsequent withdrawal transaction(s);
- identify any third party transactions;
- seek approval in writing of the FIU before proceeding with any 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, consistent with the customer due diligence requirements under the FTR Act and Regulations.

Section 7 of the FTR Act and section 19(3)(c) of the FTR Regulations requires financial institutions to not proceed any further with a transaction unless directed to do so in writing by the FIU.

Investigative Assistance Provided to Law Enforcement Agencies

The FIU also provides assistance to law enforcement agencies upon request. 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 213 requests in 2016 compared to 191 requests in 2015 from local law enforcement agencies (such as the Fiji Police Force, Fiji Independent Commission Against Corruption (FICAC), Department of Immigration, Transnational Crime Unit and FRCA).

Requests for Investigative Assistance 2016

Requesting Agency	Number of Requests	Number of Checks on Entities	Number of Checks on Individuals
Department of Immigration	4	1	10
FICAC	33	17	89
Fiji Police Force	68	33	181
FRCA	102	192	216
RBF	5	3	3
Others	1	0	1
TOTAL	213	246	500

Source: Fiji FIU

The FIU also assists law enforcement agencies in their investigations by facilitating the process to trace and temporarily 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.

Dissemination of Information to Foreign FIUs

The FIU receives requests for information from foreign FIUs. In 2016, the FIU received 16 requests for information from foreign FIUs through the Egmont Group secure web network and other formal communication compared to 22 requests received in 2015.

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 2016, the FIU received 41 requests for background and credibility checks compared to 27 requests in 2015. The checks were conducted on 106 entities and 80 individuals.

Requests for Background Checks from National Agencies in 2016

Requesting Agency	Number of Requests	Number of Checks on Entities	Number of Checks on Individuals
Attorney General's Office/ Ministry of Justice	1	15	5
Office of the Solicitor General	1	8	0
Investment Fiji	9	14	23
Fiji Pharmaceutical and Biomedical Services	1	10	0
Fiji Police Force	1	0	0
Ministry of Economy	5	6	18
Ministry of Defence, National Security and Immigration	1	0	1
Ministry of Infrastructure and Transport	1	1	0
Ministry of Public Enterprise	8	30	6
Ministry of Industry, Trade & Tourism	3	9	7
Ministry of Health	1	1	1
Ministry of I-Taukei Affairs	1	1	1
Ministry of Communications, Information Technology	1	1	6
RBF	7	10	12
TOTAL	41	106	80

Source: Fiji FIU

The FIU also facilitated background checks on skilled professionals for the Skilled Professionals Evaluation Committee (SPEC) based at the Ministry of Industry, Trade and Tourism. The FIU received 15 requests for SPEC checks. The checks were conducted on 15 individuals.

C. SUPPORTING AND SUPERVISING FINANCIAL INSTITUTIONS

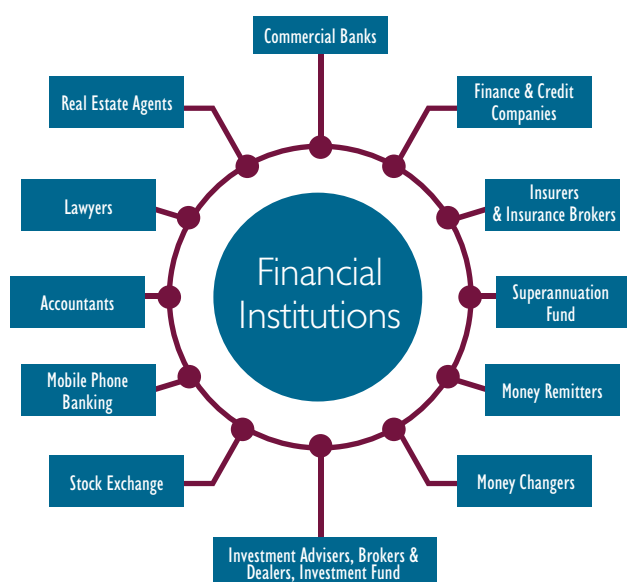
The FIU promotes a “risk-based” approach to implementing the FTR Act and provides guidance to financial institutions to comply through issuance of policies and provision of training.

The requirements in the FTR Act, commonly referred to as “preventive measures” are based on international AML/CFT standards, the Financial Action Task Force (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.



AML Guidelines and Policy Advisories

The FIU continued to work closely with financial institutions during 2016 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 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. Appendix 1 lists the Guidelines issued by the FIU to date. The 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 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 2016, the FIU issued 21 ad-hoc policy advisories explaining various requirements of the FTR Act and Regulations.

To ensure consistent application and understanding of FTR requirements across all the covered financial institutions, the FIU disseminates its policy advisories to all the institutions.

Ad-hoc Policy Advisories Issued by FIU 2016

Nature of Advisory	Number Ad-hoc Advisories Issued
Customer Due Diligence Requirements	9
Transaction Reporting Requirements	9
Other Issues (FIU Alert Notices, role of compliance officer, AML developments)	3
TOTAL	21

Source: Fiji FIU

Supervision of Financial Institutions for Compliance with the FTR Act

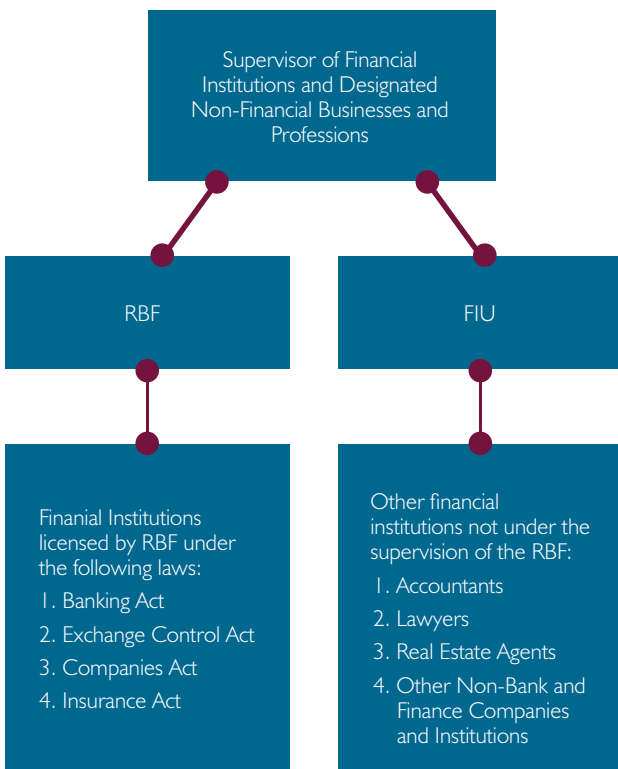
The FIU and RBF are required under the FTR Act to supervise and ensure that financial institutions are compliant with the FTR Act and Regulations.

The FIU conducted onsite compliance visits of two accounting firms and two law firms during the year. The objective of these onsite visits was to assess how well these entities were complying with their obligations under the FTR Act. The FIU also embarked on a program to engage with the real estate sector to facilitate their compliance with the FTR Act. This was achieved by conducting two series of trainings for the real estate agents and formally writing to each registered agent to raise awareness on their obligations under the FTR Act.

Also during 2016, the FIU continued with its offsite examination and review of online transaction reporting and record keeping obligations of financial institutions in Fiji. The FIU also conducted offsite assessments of financial institutions' compliance with reporting requirements using its alert monitoring system.

The FIU provided policy advice to RBF supervisors as and when needed on AML/CFT compliance issues. The FIU also provided assistance to the RBF on AML/CFT section of the on-site examinations of RBF licensed financial institutions.

AML/CFT Supervision



Training and Awareness Programs for Financial Institutions

In 2016, the FIU provided training to financial institutions which was attended by 320 employees. Two of these trainings were organised by professional bodies for their registered members, in particular, the Fiji Institute of Accountants and the Real Estate Agents Licensing Board. The training covered the financial institutions' obligations under the FTR Act and Regulations. The FIU was also invited to present at other organisations such as the University of the South Pacific.

The FIU also provided induction briefings for new AML Compliance officers to inform them of their role and key obligations under the FTR Act. This briefing was attended by 22 AML Compliance officers.

D. DOMESTIC COORDINATION AND ENGAGEMENT

National AML Learning Centre

The FIU continued to manage and provide administrative support for the National AML Learning Centre during 2016. The Centre offers computer based courses 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 were developed by the United Nations Office on Drugs and Crime (UNODC) using subject experts from around the world.



RBF officials undertaking courses at the National AML Learning Centre.

A total of 61 officials from various government agencies and financial institutions enrolled for courses at the Centre during 2016. Some officials had enrolled in more than one course.

50 officials completed courses at the Centre during 2016. Some officials completed more than one course.

CBT Courses Completed

CBT Course Completed	2012	2013	2014	2015	2016
Money Laundering Course	13	11	72	68	45
Advanced Money Laundering Course	10	5	13	15	3
Other Courses	16	6	7	5	7
TOTAL	39	22	92	88	55

Source: Fiji FIU

At the end 2016, a total of 281 officers have completed the specialised courses at the Centre since it was established in 2010.

Number of Official Completed Courses 2012-2016

Year	2012	2013	2014	2015	2016	TOTAL (since 2010)
Number of Officials	18	11	74	68	50	281

Source: Fiji FIU

During 2016, the FIU hosted a visit from Mr Jeremy Douglas, the Regional Representative of the UNODC for the Southeast Asia and the Pacific. He was briefed on the performance of the National AML Learning Centre and there were discussions on how this can be further strengthened.



From left to right: Caroline Pickering, Fiji National AML Centre Training Manager; Jeremy Douglas, UNODC Regional Representative; Maria Adomeit, Regional Anti-Corruption Adviser (Pacific) UNODC; Lawrence Chandra, Fiji National AML Centre Training Manager.

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 and Regulators Working Group; and Law Enforcement Working Group).

The National AML Council held three meetings during 2016 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 2016. Other FIU staff also actively contributed to the work of the AML Working Groups.

Key initiatives for the National AML Council in 2016 were the finalisation of Fiji's mutual evaluation report and the utilisation of the Forfeited Assets Fund.

The FIU also liaised with the APG on behalf of the Council on the face-to-face meeting with the APG assessment team in early 2016 to discuss the draft findings of the team and on the finalisation of Fiji's mutual evaluation report.

The FIU also provided advice during the year to the Council on FATF's global survey on terrorism financing, its impact on Fiji and how the legal gaps identified by FATF could be addressed.

The FIU also provided regular updates to the National AML Council on the progress of these two important national projects.

Fiji's Mutual Evaluation

Fiji's mutual evaluation report was finalised during 2016 and tabled at the APG Annual Meeting which was held during the year. The FIU was involved in the finalisation of the mutual evaluation report and its preparation for tabling and publication.

The mutual evaluation report outline the findings of assessment held in 2015 of Fiji's compliance with the international AML/CFT standards, the Financial Action Task Force (FATF) Recommendations.

The mutual evaluation report provides key gaps and deficiencies for Fiji to address. These include, among others: (1) revisions of current laws such as the FTR Act, Proceeds of Crime Act, Public Order Act, Extradition Act, and Police



Act; (2) seeking additional powers for law enforcement agencies and strengthening the resources of key government agencies such as the Fiji Police Force; and (3) enhancing preventive measures particularly for lawyers, accountants and real estate agents.



Following the tabling and publication of Fiji's mutual evaluation report, the FIU formally wrote to all key government and private sector stakeholders to inform them of the outcomes of Fiji's mutual evaluation. The FIU also briefed the Attorney-General and Minister for Justice on the outcomes of the APG mutual evaluation report.

The FIU has started a review of the FTR Act and Regulations to address deficiencies identified in the mutual evaluation report. The FIU is also working with the National AML Council to develop a national strategy for implementing the recommendations outlined in the mutual evaluation report. This work will continue in 2017. The FIU also briefed the Minister for Justice on the outcomes of the APG mutual evaluation report.



Front left to right: Christopher Pryde, Director of Public Prosecutions, Razim Buksh, Director of FIU, together with senior government officials attending the APG Plenary Meeting in San Diego, USA in September 2016.

Memorandum of Agreement with Partner Agencies

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.

During 2016, the FIU signed an MOA for the exchange of information with the Fijian Elections Office. This brings to 11 the total number of MOAs that the FIU has signed with local partner agencies.



From left to right: Mohammed Saneem, Supervisor of Elections, and Razim Buksh after the signing of the MOA.

With the closure of the Data Bureau Ltd during the year, the FIU no longer has any active information exchanges with this entity.

Seconded Officers to the FIU

In 2016, authorised officers from FRCA and FICAC continued to access directly the FIU database for the purpose of gathering intelligence on persons or entities of interest who are subject to their investigations. This arrangement was provided under MOAs signed with FRCA and FICAC.

Three officers from the FIU's partner agencies continued to be seconded with the FIU during 2016 as provided under the MOA arrangement. Two of the seconded officers are from FRCA and one officer is from the Fiji Police Force.



Secondment Officers from left: Salote Yanuyanutawa (FRCA); Amitesh Lal (FRCA); Jale Raguru (FPF).

MOAs with Domestic Partner Agencies

Agency	Date MOA Signed	Type of MOA
Immigration Department	12 July 2007	Information exchange
FRCA	28 November 2007	Information exchange and secondment of two staff with the FIU
	12 September 2014 (amendment)	Direct access to FIU database
Fiji Police Force	24 January 2008	Information exchange and secondment of a staff with the FIU
	11 December 2014 (amendment)	Direct access to FIU database
Investment Fiji	13 June 2008	Information exchange
Ministry of Justice	3 July 2008	Information exchange
Land Transport Authority	5 October 2009	Information exchange
FICAC	3 November 2009	Information exchange
Joint Taskforce RBF/FRCA/FIU	14 April 2010	Information exchange
Maritime Safety Authority of Fiji	16 August 2012	Information exchange
RBF	17 April 2014	Information exchange
Fijian Elections Office	11 August 2016	Information exchange

Source: Fiji FIU

NCLASA

The Director of the FIU is a member of the National Combined Law and Security Agencies (NCLASA) Committee. NCLASA is Fiji's national information sharing framework on security issues comprising approximately 38 agencies with the Ministry of Defence as the epicentre. The NCLASA framework is to inevitably provide appropriate responses to the security challenges, domestically and internationally, and to create a conducive environment for co-operation and information sharing between members of Agencies.

The FIU was part of the consultations held with the Ministry of Defence to review the national security and defence sector. The Director participated in the meetings and deliberation of NCLASA during the year.

Unexplained Wealth Taskforce

The Unexplained Wealth Taskforce held its first meeting during 2016. The Taskforce is made up of representatives from the FIU, Fiji Police Force, FRCA and FICAC. The objective of the Taskforce is to enable these member agencies to network and collaborate on cases of unexplained wealth.

Cyber Security Working Group

The FIU is part of Fiji's national cyber security working groups on technical, legal and security issues. The FIU was part of the working group meetings in 2016 as it deliberated on the formulation of national cyber security strategy.

The FIU also met with a consultant on cyber security to discuss cybercrime legislations and cyber security strategy.

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 2016, the FIU continued to contribute to the meetings and work of CTOG.

Training and 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 67 law enforcement officials attended these training sessions.

FIU Training Provided to Law Enforcement Agencies and Prosecutors in 2016

Date	Particular of Training	Participating Agencies	Number of Participants
19 July	Role of FIU & BCR Requirements	FRCA	17
25 August	Offences under the FTR Act	Office of the Director of Public Prosecutions (ODPP)	50
TOTAL			67

Source: Fiji FIU

E. INTERNATIONAL ENGAGEMENT AND CONTRIBUTION

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.

The FIU has signed MOAs with 27 foreign FIUs to date. While no new MOAs were signed during 2016, the FIU continued to engage with foreign FIUs on information exchange and networking.

MOAs with Foreign FIUs

Country	Name of FIU	Date
Australia	Australian Transactions Reports and Analysis Centre	19 May 2011
Bangladesh	Financial Intelligence Unit	9 June 2015
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
India	India FIU	5 June 2014
Indonesia	Indonesian Financial Transaction Reports and Analysis Center	10 July 2009
Israel	Israel Money Laundering Prohibition Authority	6 February 2013
Japan	Financial Intelligence Centre	9 June 2015
Korea	Korea FIU	6 May 2011
Lebanon	Special Investigation Commission	5 June 2014
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	12 July 2011
	United Kingdom FIU	5 June 2014 (Amendment)
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 Fiji FIU is a member of the Association of Pacific Island FIUs (APIFIU). APIFIU was established in 2011 and currently has 12 FIUs as its members namely the FIUs of Cook Islands, Fiji, Nauru, Niue, Palau, Papua New Guinea, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga, Vanuatu and Kiribati.

The FIU contributed to the activities of APIFIU and participated in its meeting during the year. Under the APIFIU regional cooperation program, the Fiji FIU provided one week work attachment during 2016 for officers from the FIUs of the Cook Islands, Marshall Islands, Papua New Guinea and Vanuatu. The objective of the attachment was to strengthen capacity building and enhance knowledge of participating FIU's experience which they can implement or adapt to their own systems and processes when they return home.

The officers studied the daily operations of the Fiji FIU and had an opportunity to visit a local law enforcement agency and a financial institution to get an idea of the intelligence, networking and regulatory role the FIU has in Fiji.

The attachment program was jointly supported by the United Nations Pacific Regional Anti-Corruption Project, implemented by the United Nations Development Program Pacific Office in Fiji and the UNODC.



From left to right: Henry Eremas, Bank Papua New Guinea; Bob Williams, Cook Islands FIU; Razim Buksh, Fiji FIU; Samelda Leon, Marshall Islands FIU; Whitely Kenneth, Vanuatu FIU.

The FIU also provided advice during the year to regional FIUs on various aspects of Fiji's AML/CFT framework.

Asia Pacific Group on Money Laundering

Fiji is a member of the APG, an autonomous and collaborative international organisation currently comprising 41 member countries.



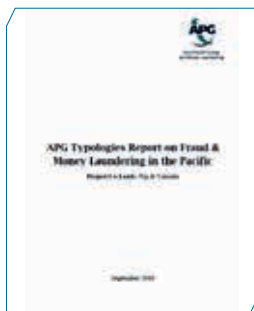
The FIU liaised closely with the APG during 2016 on Fiji's mutual evaluation and on the finalisation and tabling of Fiji's mutual evaluation report.

During 2016, the FIU participated in other APG activities as follows:

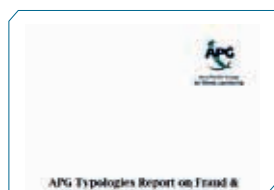
- i. attended the APG Annual Plenary Meeting held in San Diego, United States of America;
- ii. participated in various APG surveys and contributed to discussion papers;
- iii. finalised a report on the Pacific Fraud and Money Laundering Typologies project. Fiji had co-led this project with the Vanuatu FIU.

The FIU also prepared and submitted Fiji's country report and technical assistance report for the 2016 APG Annual Plenary Meeting.

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



Egmont Group



The FIU is a member of the Egmont Group of FIUs. In early 2015, the Director FIU was appointed the regional representative of the Asia and Pacific region of the Egmont Group. The Director FIU is also

a member of the Egmont Committee which serves as the consultation and coordination mechanism for the Heads of FIUs and the Egmont Working Groups.

As the regional representative, the FIU has contributed to a number of operational, policy and governance matters concerning the Egmont Group during 2016. The FIU also coordinated the compilation of regional updates from member FIUs for submission to the Egmont Group.

The FIU also continued to participate in the other activities of the Egmont Group during 2016. This included contributing to Egmont surveys conducted during the year, reviewing and providing comments on Egmont governance papers, projects and questionnaires.

As a member of the Egmont Group of FIUs, the Fiji FIU is committed to sharing information with other Egmont Group members. During 2016, the FIU continued to provide assistance and information to other Egmont Group members upon request via the Egmont Secure Website (ESW).

Information Exchanges with Other FIUs 2012-2016

	2012	2013	2014	2015	2016
Number of requests made to Fiji FIU	5	10	18	22	11
Number of requests made by Fiji FIU	1	3	8	6	7

Source: Fiji FIU

Fiji Egmont Committee Meeting

The Fiji FIU hosted an Egmont Committee Meeting in May 2016. The two-day meeting was attended by 17 Egmont Committee members Egmont Group secretariat staff. The Director of Fiji's FIU, Mr Razim Buksh has been a member of the Egmont Committee since 2015.

The meeting discussed various administrative, governance and technical issues affecting the Egmont Group.



Participants of the Egmont Committee Meeting held in Nadi, Fiji, May 2016



The FIU is a member of the Alliance for Financial Inclusion (AFI) Global Standards Proportionality Working Group (GSPWG). The aim of

GSPWG is to provide a platform to facilitate peer learning on issues policymakers and regulators face in achieving a balance between financial inclusion, integrity and stability, and to examine the proportionate implementation of the global standards set by global standard setting bodies. The FIU participated in the meetings of the GSPWG and the AFI Global Policy Forum which was held in Fiji during the year.



AFI Global Policy Forum, Nadi.

BCR CASE STUDY 1

State vs. Tai Sun Bak (Criminal Case No. 771 of 2016)

Magistrates Court at Nausori

On 12 November 2016, Tai Sun Bak, a 51 year old Korean national arrived at Nausori airport from Tuvalu transiting through Fiji to go to Korea. Upon search by Customs officials, an envelope was discovered which contained US\$4,900.00, AU\$1,700.00, FJ\$15.00, JPY14,000.00, SBD\$10 and INR6,300 (Indonesian Rupiah). He failed to declare a total of FJ\$17,626.60.

Tai Sun Bak was produced at the Nausori Magistrates Court on 1 December 2016 and he pleaded guilty for contravening the BCR reporting requirements. The accused was ordered to pay a fine of FJ\$1,000.00.

BCR CASE STUDY 2

State vs. Tran Van Ty (Criminal Case No. 773 of 2016)

Magistrates Court at Nausori

On 12 November 2016, Tran Van Ty, a 21 year old Vietnamese national arrived at Nausori airport from Tuvalu transiting through Fiji to go to Vietnam. Upon search by Customs officials, US\$6,890.00 was discovered in the passenger's laptop bag. He failed to declare a total of FJ\$14,165.84.

Tran Van Ty had previously transited through Fiji on 4 occasions previously in 2014 and 2015 and his excuse of not being fluent in English and not declaring on the arrival card of the said currency is not a valid excuse.

Tran Van Ty was produced at the Nausori Magistrates Court on 7 December 2016 and he pleaded guilty for contravening the BCR reporting requirements. The accused was ordered to pay a fine of FJ\$1,000.00.

BCR CASE STUDY 3

State vs. Lu Wang Chi (Criminal Case No. 191 of 2016)

Magistrates Court at Nadi

On 26 February 2016, Lu Wang Chi, a 38 year old Taiwanese national arrived at Nadi airport from Hong Kong on Fiji Airways Flight FJ392. Upon search by Customs officials, the following currencies were found in the possession of Lu Wang Chi:

- US\$30,407 equivalent to FJ\$61,790.00;
- HK\$40.00 equivalent to FJ\$9.83;
- FJ\$60.00;
- TW\$4,800.00.

He failed to declare a total of FJ\$61,880.12 and TWD4,800.00.

Tran Van Ty was produced at the Nadi Magistrates Court on 1 March 2016 and he pleaded guilty for contravening the BCR reporting requirements. The accused was ordered to pay a fine of FJ\$5,000.00.