

FIJI FINANCIAL INTELLIGENCE UNIT **2023 ANNUAL REPORT**



FijiFIU

Fiji Financial Intelligence Unit

PARLIAMENTARY PAPER NO. 06 OF 2024

Our Vision:

Protecting Fiji from Money Laundering

Our Strategic Pillars:



Our Key Strategies:

1. Develop and disseminate quality intelligence products for our stakeholders.
2. Improve the quality and use of our intelligence products.
3. Promote the understanding of money laundering risks and methods in Fiji.
4. Promote a risk based implementation of the preventive measures under the FTR Act.
5. Enhance financial institutions and businesses understanding of their obligations under the FTR Act.
6. Effectively supervise financial institutions and businesses for compliance with the FTR Act and take appropriate enforcement action in case of non-compliance.
7. Effective data reporting.
8. Develop innovative data management systems and analytic tools.
9. Improve data quality and information security.
10. Enhance our network for information sharing.
11. Strengthen relationships with domestic and international partners.
12. Provide support to international partners on AML/CFT initiatives and engagements.
13. Cultivate a skilled, motivated and high performing team.
14. Ensure corporate governance through strong internal controls and performance reporting.

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1 FIU ROLE AND FUNCTIONS

The Financial Intelligence Unit (FIU) has two core functions which it is mandated by the Financial Transactions Reporting (FTR) Act to fulfil.

These core functions are aimed at protecting Fiji's financial system from abuse by criminals who seek to use the financial services offered to launder the proceeds of crime or to facilitate other serious crimes.

Intelligence Function

As an intelligence agency the FIU develops financial intelligence from reports of transactions provided by financial institutions and information from other sources. This financial intelligence is then referred to local law enforcement agencies for investigation and prosecution of money laundering, terrorism financing and other serious crimes.

The key recipients of our intelligence products are the Fiji Police Force (FPF), Fiji Revenue and Custom Services (FRCS) and Fiji Independent Commission Against Corruption (FICAC).

The FIU also provides intelligence support to local and foreign law enforcement agencies for ongoing operational projects or taskforces. In this role, the FIU also works with law enforcement agencies in their efforts to trace and restrain proceeds of crimes in Fiji.

Regulatory Function

The FIU is also responsible for regulating businesses and organisations identified under the FTR Act as financial institutions.

As a regulator, the FIU seeks to ensure that financial institutions in Fiji have strong internal systems and controls to mitigate the risk of their services and products being misused by criminals and their associates for money laundering, terrorism financing and other serious financial crimes.

In this capacity, the FIU also promotes the awareness and understanding of financial institutions on the financial crime risks and threats in place.

Other Roles

In its intelligence and regulatory function, the FIU is often required to work closely with various agencies of Government and international partners and organisations. Therefore, an important role of the FIU is to form partnerships, exchange information with key partners and provide advice on matters related to money laundering, terrorism financing and other serious financial crimes.

The FIU also contributes to international policy formulation on matters related to money laundering and terrorism financing and represents Fiji on international platforms on anti-money laundering and other related issues.

Overall our role ultimately contributes to having a secure financial system which prevents and detects money laundering and other serious financial crimes. We also contribute to national security by contributing to the investigation of serious financial crime and hindering efforts by criminals to profit from their crimes.

2 DIRECTOR'S FOREWORD



The FIU delivered on its mandate in 2023 in the face of ongoing challenges and opportunities. Evolving financial crime trends, risks and priorities of law enforcement agencies saw a stronger demand for financial intelligence and expertise.

The changing operating environment faced by financial institutions was the impetus for us to ensure that our regulatory guidance were relevant and addressed emerging business challenges and risks.

The FIU currently holds a substantial amount of sensitive financial data in its database. With this comes a serious legal responsibility to safeguard this data and to use it effectively for its intended purpose.

Along with its challenges, there were also opportunities that the FIU seized to deliver on its vision to protect Fiji from money laundering.

Compliance/Regulatory

In 2023 the FIU conducted risk-based supervision of the financial institutions including non-financial businesses such as legal practitioners, real estate agents and accountants. We conducted on-site supervision of a number of real estate agents and legal practitioners to assess their compliance with the legislative AML/CFT requirements. This was supplemented by offsite monitoring of compliance

of financial institutions and these non-financial businesses. A risk-based supervision approach enables the FIU to allocate its compliance resources to high risk entities given the large number of financial institutions and entities that the FIU has to supervise.

We continued to work with financial institutions to increase their awareness and understanding of the regulatory requirements and the financial crime risks. This was achieved by ongoing engagement with financial institutions and the issuance of policy guidelines and trainings.

Digital transformation in the payment system landscape saw an increased demand on the FIU for clear and timely regulatory advice. In 2023, the FIU developed a Guideline for financial institutions on the use of digital identity systems for customer due diligence purposes.

In 2023, we finalised and issued our report on an assessment of the money laundering and terrorist financing risks in Fiji's banking sector. The findings from this assessment greatly improves our understanding of money laundering and terrorist financing threats and vulnerabilities that banks in Fiji face.

Financial Intelligence

Developing financial intelligence for use by law enforcement agencies is a core function of the FIU. In 2023, the FIU produced financial intelligence for domestic and international law enforcement agencies to support a range of investigations into serious financial crimes.

The FIU also continued to focus its efforts on developing and improving digital solutions for the development of financial intelligence products. This was aimed at improving how we analyse our data and develop valuable financial intelligence for our partners.

We also continued to collaborate with our domestic and international partners through our contribution to various committees, projects and operational taskforce. The year 2023 also witnessed stronger collaboration with international law enforcement partners on operational matters and staff exchange programs.

Outlook for 2024

We are committed to collaborating with law enforcement and regulatory partner agencies to combat financial crime and safeguard our financial system from abuse by criminals and their associates. Providing timely financial intelligence which is of practical value to our partners will continue to be a key delivery in 2024.

We will also focus on leveraging our increasingly larger data sets to provide insights on financial crime risks and trends in Fiji. These insights on financial crime risks will assist us and our partners in targeting our efforts and resources.

In 2024, the FIU will also be formulating its Strategic Plan for 2025-2029. We welcome this opportunity to take stock and plan for the challenges and opportunities of the next five years.

Acknowledgement

Finally, I would like to thank all our partners, in particular the law enforcement agencies and financial institutions for their support. I also would like to thank the small team of staff at the FIU for their dedication. The FIU's achievements for 2023 were largely due to all your contributions.

I also acknowledge the Reserve Bank of Fiji for its tremendous support which enabled us to deliver our mandate in 2023.

We look forward to another exciting year of opportunities in 2024 and in working with all our partners to safeguard our community and businesses from financial crime.

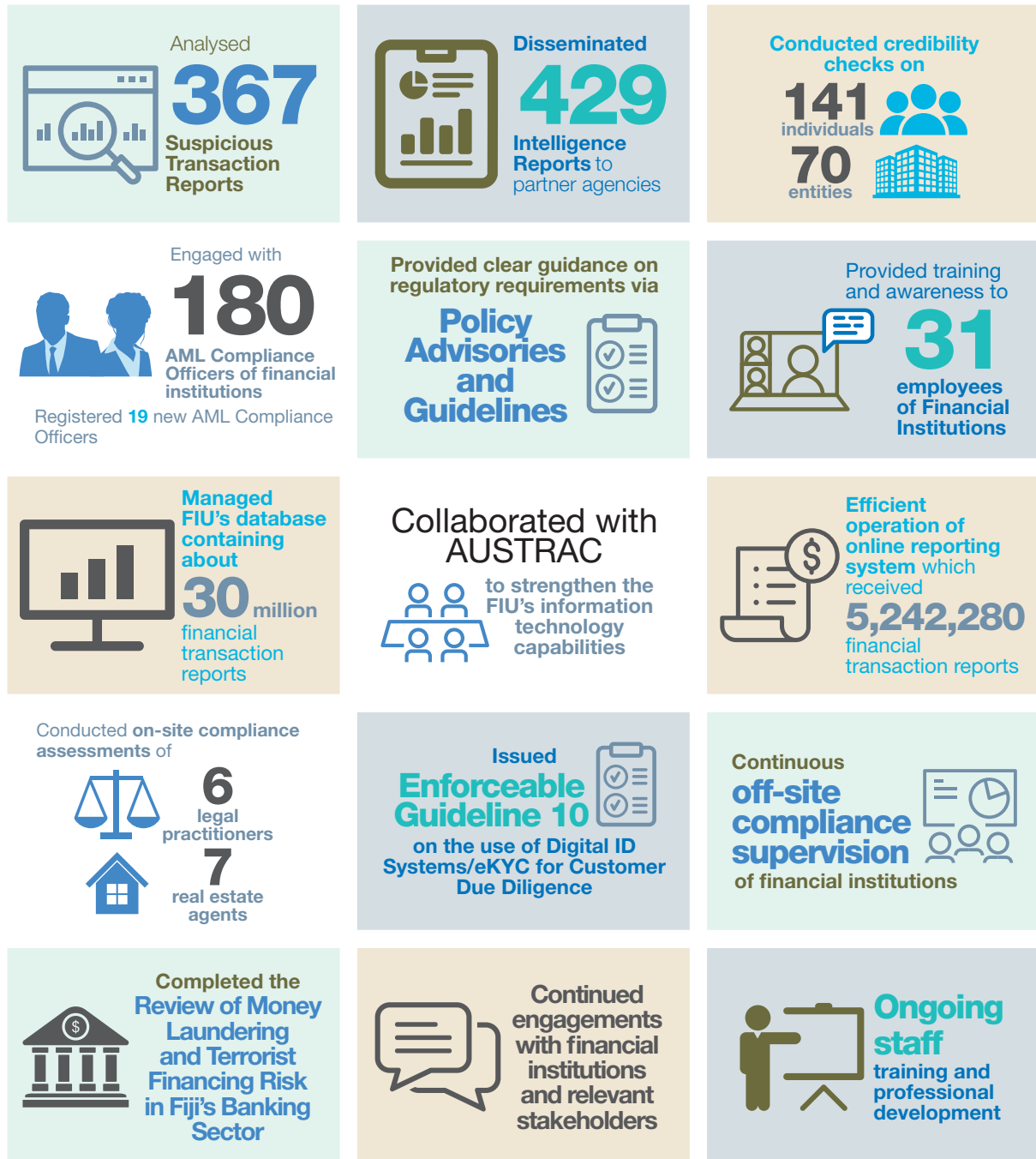


Caroline Pickering

Acting Director
Financial Intelligence Unit

2023

AT A GLANCE



3 GOVERNANCE STRUCTURE

Statutory Agency

The FIU is a Government statutory agency that was established in 2006 under the FTR Act. The powers, duties and functions of the FIU are clearly defined in 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 FIU. The Minister is also responsible for appointing the Director FIU on the recommendation of the National AML Council. In 2005, the Minister delegated his responsibilities under the FTR Act to the Governor of the RBF.

Governor of the Reserve Bank of Fiji

Pursuant to the ministerial delegation under the FTR Act, the Director FIU reports to the Governor of the RBF for the discharge of his/her powers, duties and functions provided under the FTR Act. Subsequent to this delegation and on the recommendation of the Governor, the Board of the RBF approved the organisation structure and annual funding of the FIU.

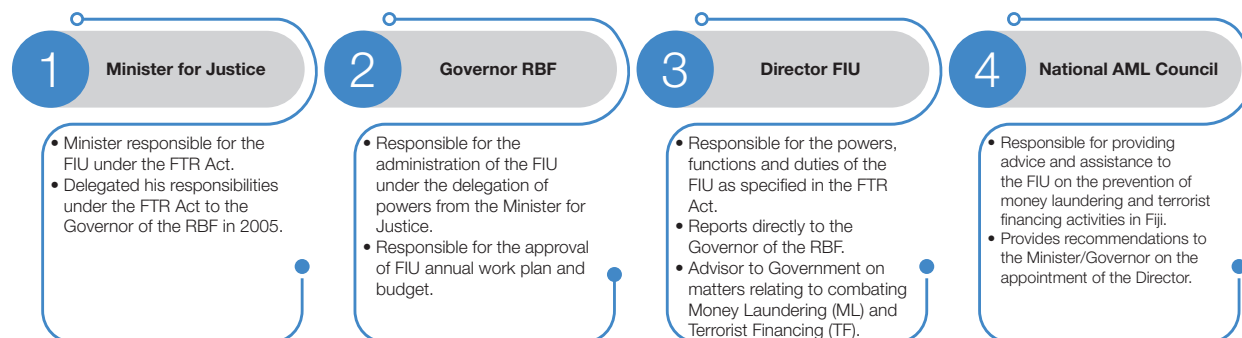
The Director FIU regularly meets with the Governor of the RBF and also provides regular reports on the FIU's performance and achievement of work plan targets.

Director of the FIU

The Director FIU exercises the powers, duties and functions of the FIU as specified in the FTR Act. The Director FIU 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/her duties.

The Director FIU is a member of the National AML Council and is also the advisor to the Minister and the Governor on matters relating to combating money laundering, terrorist financing and related offences in Fiji. The Director is responsible for the preparation and implementation of the FIU's strategic plan, annual work plan and its annual budget.

FIU GOVERNANCE AND ACCOUNTABILITY FRAMEWORK





The National AML Council

The National AML 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 (Governor of the RBF under the delegation of authority) on the appointment of the Director of the FIU.

The FIU provides regular reports and updates 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 Act¹.

Funding and Administration

The FIU is fully funded by the RBF. 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 has been administratively housed within the RBF since 2006. The FIU is subject to all the administrative protocols, policies and procedures of the RBF. These include procurement, HR management, IT support, risk management, security, office space and financial accounts.

The FIU does not prepare and publish annual 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 FPF and the FRCS 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 direct funding support from the Fijian Government.

Independence and Functional Autonomy of the FIU

While the FIU is administratively dependent on the RBF, the technical and core functions of the FIU are independent of the RBF. The Director 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. 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.

¹ Refer to the section on National AML Council for more information.

4 ACHIEVEMENTS

Financial Intelligence

A core function of the FIU is to produce high quality financial intelligence for its partners. The FIU seeks to achieve this by:

- i. developing and disseminating quality intelligence products;
- ii. improving the quality and use of its intelligence reports; and
- iii. promoting the understanding of ML risks and methods in Fiji.

Financial intelligence enables law enforcement partners to investigate serious crimes, money laundering and terrorist financing activities.

The FIU uses tactical analysis procedures as set out in its standard operating manual to analyse all financial transaction reports and develop intelligence of possible money laundering or other serious crimes.

Develop Intelligence Products

In 2023, the FIU received a total of 5,242,280 financial transaction and other reports which are used to develop intelligence products. These reports consisted of suspicious transactions reports (STR), cash transaction reports (CTR), threshold transaction reports (TTR), and electronic funds transfer reports (EFTR) which are submitted by financial institutions. The FIU also received border currency declaration reports (BCR) from the FRCS.

The FIU relies on technology for its intelligence development. In 2023, the FIU continued to use the Transaction Query System (TRAQ) in its intelligence processes. TRAQ is used by the FIU intelligence analysts to perform profiling of entities or persons of interest. TRAQ utilises search tag features to

identify information regarding specific names, bank accounts, transaction dates, transaction amounts and other relevant transaction details.

The FIU uses its Case Management System (CMS) to centrally store all STR information, case analysis details and dissemination reports. CMS is used by the FIU to raise queries directly through the system, conduct analysis and automatically generate case dissemination reports and link charts. CMS also offers certain management functions, such as, the review and approval of STR closures, generation of management reports and system audits for each STR.

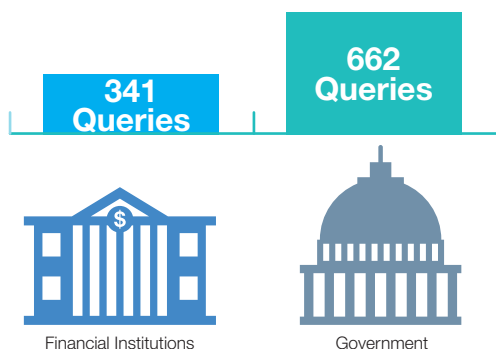
The FIU has access to a wide range of information on government databases which enables it to fulfil its analysis function.

As part of its analysis process, the FIU makes enquiries with financial institutions and government agencies. The enquiries are aimed at developing further intelligence on information already provided in the STRs. FIU enquiries may also be in relation to an ongoing investigation of money laundering and serious offences or proceeds of crime cases.

In 2023, the FIU made 1,003 enquiries to financial institutions and government agencies for further information to analyse STRs and develop other intelligence products. Of these, 341 enquiries were made by the FIU to financial institutions while 662 enquiries were made to government agencies.

Enquiries to financial institutions were related to requests for information on customers such as identification details, transaction details or history, asset details or copies of relevant documents.

FIU Enquiries to Financial Institutions and Government Agencies 2023

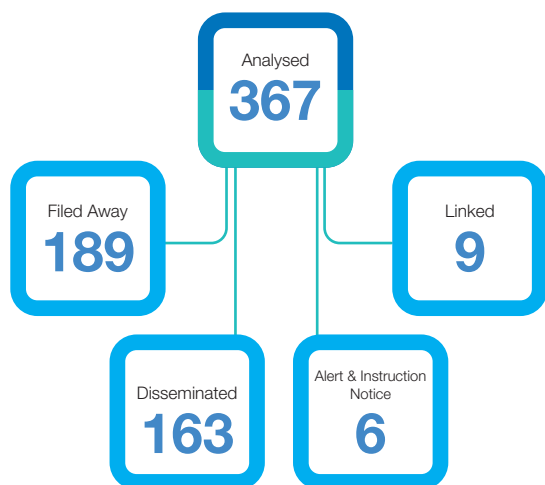


Source: Fiji FIU

The FIU is required under Section 25 (1) (e) of the FTR Act to analyse and assess all reports and information received.

In 2023, the FIU analysed 367 STRs. As a result of this analysis, 189 STRs were filed away for future intelligence reference, 163 case dissemination reports were issued to law enforcement agencies, six alert and instruction notices were issued to financial institutions, and nine cases were linked to other cases already disseminated.

STRs Analysed 2023



Source: Fiji FIU

At the end of the analysis process, the FIU assesses whether the STR and relevant analysis indicates that money laundering or a serious offence maybe taking place. In some instances, the reports or intelligence do not meet the threshold to be disseminated to law enforcement or other agencies and it is “filed away” for future reference.

STRs Filed Away for Future Reference

	2019	2020	2021	2022	2023
Number of STRs Filed Away	132	372	551	322	189

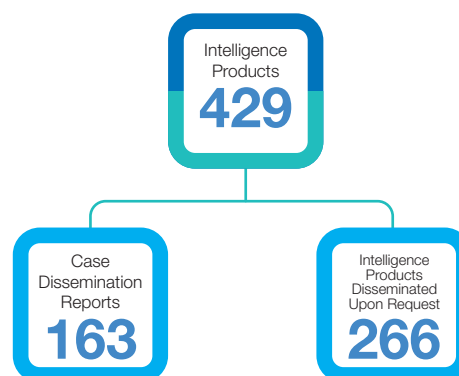
Source: Fiji FIU

Dissemination of Intelligence Products

The FIU disseminates intelligence products spontaneously or upon request from our partner agencies. Spontaneously disseminated intelligence products are referred to as case dissemination reports (CDR). Intelligence products disseminated upon request can be used by law enforcement agencies in investigations or by government agencies when assessing the credibility of entities and individuals.

In 2023, the FIU disseminated a total of 429 intelligence products to law enforcement agencies, regulatory bodies, and government ministries. This is a decrease from 519 intelligence products disseminated in 2022.

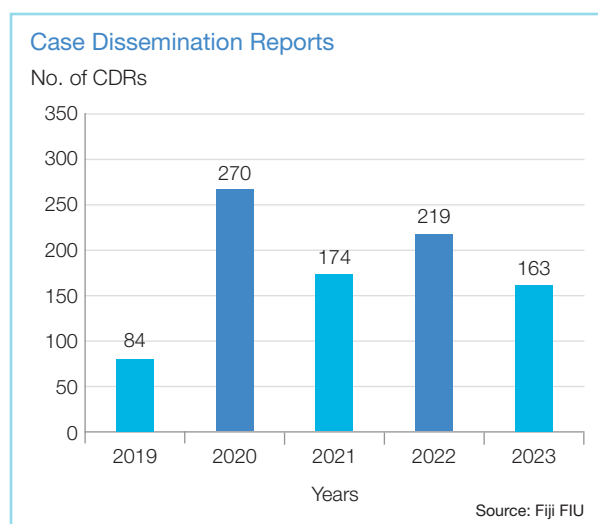
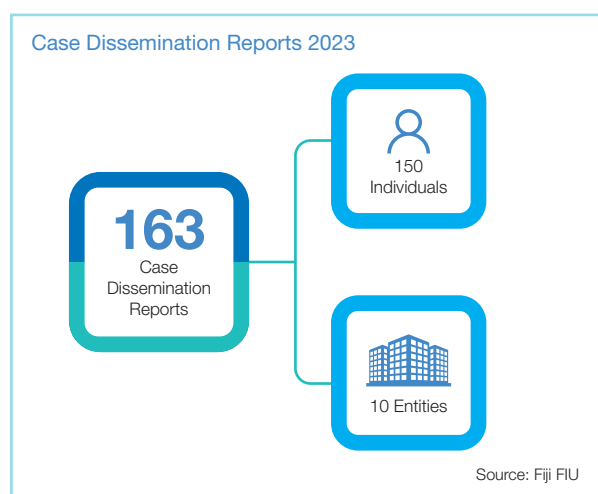
Intelligence Reports Disseminated 2023



Source: Fiji FIU

Case Dissemination Reports

Out of the 429 intelligence products disseminated in 2023, 163 products were CDRs to law enforcement agencies. This is a decrease from 219 CDRs disseminated in 2022. These CDRs were developed directly from STRs received in 2023 and prior to 2023, and contained information on 150 individuals and 10 entities.



In 2023, 45% of CDRs were disseminated to the FPF and 31% of CDRs were disseminated to FRCS. In some instances, intelligence that is developed from a single STR is sent to more than one law enforcement agency as it may involve suspected violations of different laws. Based on the CDR dissemination rates for 2023, the top two possible underlying criminal activities identified in the STRs were scams and other serious offences such as fraud, drug related offences, corruption and bribery.

Case Dissemination Reports to Law Enforcement Agencies

Law Enforcement Agency and Reason for Dissemination	2019	2020	2021	2022	2023
FRCS-Taxation Division Possible violations under the Income Tax Act and VAT Act.	44	128	90	116	43
Fiji Police Force *including Transnational Crime Unit. Possible violations under the Proceeds of Crime Act and serious offences under the Crimes Act and other relevant laws.	8	67	41	41	74
Immigration Department Possible violations under the Immigration Act and Passport Act.	0	10	8	9	2
FRCS-Customs Division Possible violations under the Customs Act.	7	5	8	9	7
FICAC Possible violations under the FICAC Act and Prevention of Bribery Act	0	5	5	14	1
Others²	25	55	22	30	36
Total	84	270	174	219	163

Source: Fiji FIU

² Other law enforcement agencies include Foregin FIUs and law enforcement agencies (22) and other regulatory bodies (19).

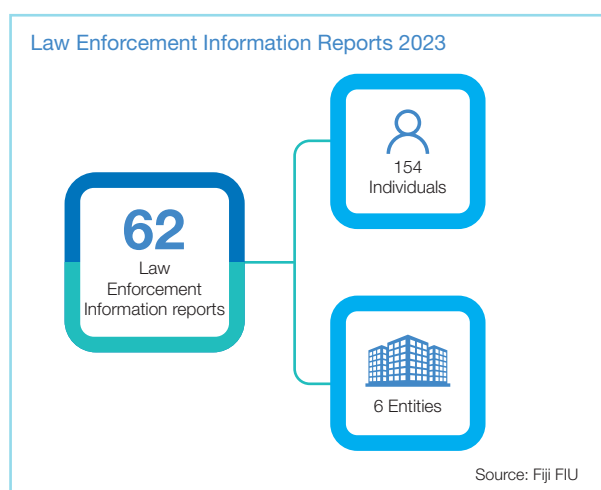
Intelligence Products Disseminated Upon Request

In 2023, there were 266 intelligence products disseminated upon request. These products consisted of law enforcement information reports, financial data reports and credibility check reports.

a) Law Enforcement Information Reports

The FIU also provides financial intelligence to law enforcement agencies upon request. The requests for assistance from the law enforcement agencies are related to investigations of suspected money laundering activities and other predicate offences such as forgery and fraud, drug trafficking, human trafficking, obtaining money by false pretences, cybercrime, larceny and corruption. The requests may also be related to investigations initiated by a CDR that was disseminated to a law enforcement agency.

In 2023, the FIU disseminated 62 intelligence products that were directly requested by local law enforcement agencies such as the FPF, FICAC and FRCS, compared to 87 reports in 2022. These reports contained information on 154 individuals and six entities.



Law Enforcement Agencies Requesting Intelligence

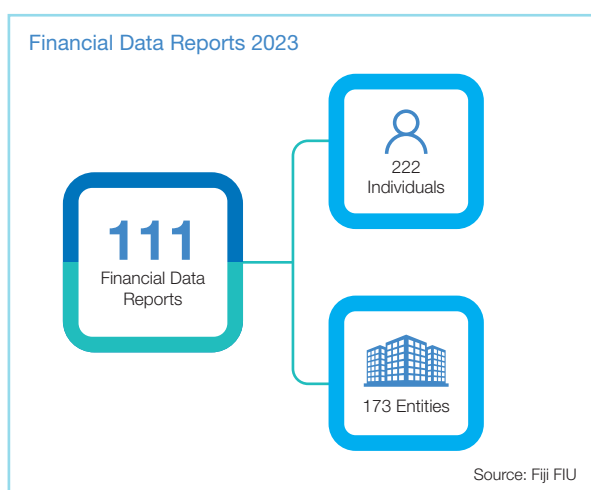
Requesting Agency	2019	2020	2021	2022	2023
FICAC	30	15	6	19	12
Fiji Police Force	85	77	33	55	47
FRCS	97	26	34	5	3
Immigration Department	8	6	3	3	0
Others ³	2	3	6	5	0
TOTAL	222	127	82	87	62

Source: Fiji FIU

b) Financial Data Reports

In 2023, the FIU provided 111 financial data reports on 222 individuals, 173 entities and 134 addresses and phone numbers to law enforcement agencies that requested for financial information.

Prior to April 2022, these reports were accessed directly by approved officers from law enforcement agencies from the FIU database at the FIU office. The FIU continued to facilitate these requests in 2023.

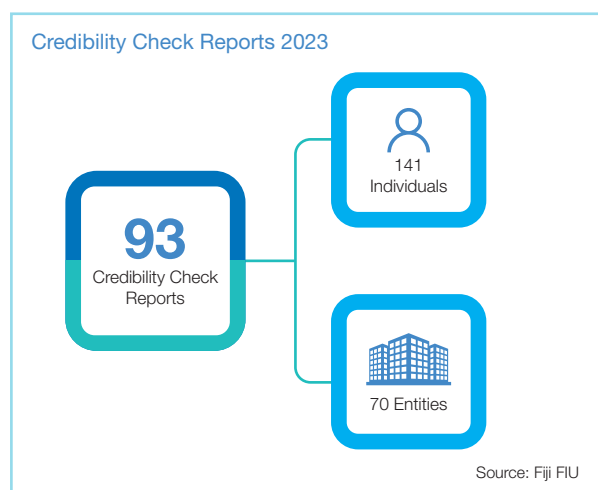


³ Other requesting agencies include the Ministry of Fisheries, Fijian Competition & Consumer Commission, Fiji Corrections Services and Legal Practitioners Unit.

c) Credibility Check Reports

The FIU conducts credibility checks on individuals and entities upon a request made in writing from a government department or authority as provided under section 25.1(m) of the FTR Act.

In 2023, the FIU disseminated 93 credibility check reports compared to 82 reports disseminated in 2022. The credibility checks were conducted on 141 individuals and 70 entities.



Dissemination of Information to Foreign FIUs

The FIU also receives information from foreign FIUs. In 2023, the FIU received 12 foreign information reports from foreign FIUs through the Egmont Secure Web (ESW).

The FIU also sent 10 requests for information to foreign FIUs through ESW in 2023.

Information Exchanges with Other FIUs

	2019	2020	2021	2022	2023
Number of reports sent to Fiji FIU	12	1	19	19	12
Number of requests made by Fiji FIU	5	6	8	3	10

Source: Fiji FIU

Alert & Instruction Notices to Financial Institutions

The FIU may, under section 25(1)(h) of the FTR Act disseminate alerts to financial institutions in relation to information it has received under the FTR Act.

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

There was one Alert & Instruction Notice issued by the FIU in 2023.

Directives to Financial Institutions

The FIU has powers under section 25(1)(h) of the FTR Act to issue enforceable directives to financial institutions. These directives require 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 six such directives in 2023 to financial institutions.

The Alert & Instruction Notices and directives are enforceable instructions of the FIU and must be implemented by the financial institutions.

Engagement with Stakeholders

The FIU engaged closely with its law enforcement partners with the aim of improving the quality and use of its intelligence products.

In 2023, the FIU held annual meetings with the Acting Commissioner of FPF, CEO FRCS and Commissioner FICAC. The meetings were aimed at improving our understanding of the intelligence needs of our law enforcement partners and explaining how the FIU's intelligence products may meet their needs.

The FIU periodically provides feedback to financial institutions and other relevant agencies regarding outcomes to the reports or information given under the FTR Act. In 2023, the FIU provided six feedback reports and held meetings with the commercial banks. The reports and meetings provided feedback on the outcomes of STRs and other reports submitted to the FIU.

The FIU also met individually with several mobile phone money remitters, money remittance service

providers and commercial banks to strengthen engagement and provide feedback to the sector to enhance their compliance with the FTR Act.

Review of Risks for the Banking and Remittance Sector

In 2022, the FIU conducted a sectoral assessment of the ML/TF risks of the banking sector in Fiji. This is part of the continuing review of the National Risk Assessment (NRA) of 2015.

The methodology was based on the Financial Action Task Force (FATF) Guidance on National Money Laundering and Terrorist Financing Risk Assessment (February 2013).

The assessment of the banking sector was conducted to assess and understand the three factors of ML and TL risk which includes criminal threats, vulnerability and consequences. In 2023, the assessment findings were presented to the banks and after consultation, the report was finalised in December. The assessment report has been issued to all the financial institutions and is published on the FIU website.

In 2023, the FIU held a forum with the banks on how to detect the laundering of proceeds of drug trafficking through the banking sector. The forum included discussions on risk indicators and latest trends of drug related offences and crimes globally and in Fiji.

Preventive Measures

The FIU seeks to promote a safe and sound financial system to prevent or detect money laundering and terrorist financing activities. The FIU does this through three broad strategies as follows:

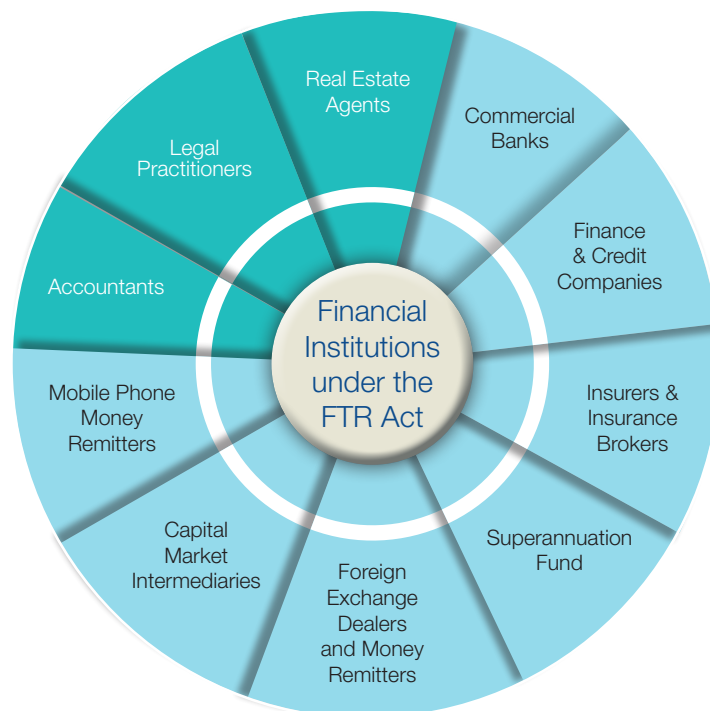
- a) promoting risk-based implementation of preventive measures under the FTR Act;
- b) enhancing financial institution's understanding of their obligations under the FTR Act; and
- c) effectively supervising financial institutions and taking appropriate enforcement action as needed.

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 money remitters; and
- ii. other Designated Non-Financial Businesses and Professions (DNFBPs), such as, accounting firms, legal practitioners, 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.

Financial Institutions under the FTR Act



Implementation of Preventive Measures

The requirements in the FTR Act, commonly referred to as “preventive measures” are based on international AML/CFT standards, the FATF Recommendations. Financial institutions can implement these preventive measures on a risk-based approach.

The FIU promotes a risk-based implementation of the FTR Act by:

- providing clear guidance on the preventive measures and requirements of the FTR Act through the issue of Guidelines and policy advisories;
- training and ongoing awareness;
- industry/sector focussed AML/CFT forums and training webinars; and
- ongoing engagement with financial institutions to assist them on how they can implement these preventive measures on a risk-based approach.

In 2023, the FIU continued to provide financial institutions with advice and guidance on the requirements under the FTR Act and Regulations.

The FIU provides advisories and guidelines aimed at helping financial institutions gain a better understanding of their obligations.

During 2023, the FIU issued a new Guideline to provide further requirements and guidance to financial institutions on the use of digital ID systems for customer due diligence or eKYC.

The FIU has issued 10 Enforceable Guidelines to date which provides detailed guidance on the key requirements under the FTR Act. The FIU has issued 19 Policy Advisories to date which provides clarification on interpretation of certain requirements of the FTR Act. The Guidelines and Policy Advisories are accessible on the FIU’s website.

The FIU also provides policy advice and clarifications on an ad-hoc basis, as and when requested by financial institutions. In 2023, the FIU issued 39 ad-hoc policy advisories explaining various requirements of the FTR Act and Regulations.

Ad-hoc Policy Advisories Issued by FIU 2023

Nature of Advisory	Number of ad-hoc Policy Advisories Issued
Customer Due Diligence Requirements	13
Transaction Reporting Requirements	15
Other Issues (FIU Alert Notices, role of compliance officer, AML developments)	11
TOTAL	39

Source: Fiji FIU

Engagement and Awareness

The FIU promotes awareness and understanding of the FTR Act requirements through issuance of guidelines and advisories, targeted training and regular engagements with financial institutions through sector-based forums and meetings.

In 2023, the FIU held annual meetings with the heads of commercial banks and AML Compliance Officers in Fiji. These annual meetings were aimed at engaging with senior management of these key financial institutions to discuss high level regulatory and compliance issues. The FIU also had engagements and meetings with financial institutions as needed during the year.

As at 2023, there were 180 AML Compliance Officers registered with the FIU.

The FIU continued to engage closely with the AML Compliance Officers of financial institutions during 2023 through trainings and one-on-one meetings and liaisons. These forums provided a platform for

the FIU to update the AML Compliance Officers on new regulatory developments and money laundering trends and to clarify policy requirements.

In 2023, the FIU held one induction briefing for seven new AML Compliance Officers and a forum with the AML Compliance Officers' of the banking sector.

A total of 19 new AML Compliance Officers registered with the FIU in 2023. The FIU engaged with the new AML Compliance Officers to educate them on their role and responsibilities.

In 2023, the FIU provided training and awareness programmes which were attended by a total of 31 employees. The training covered the financial institutions' obligations under the FTR Act and Regulations.

Training and Awareness Programme 2023

Training and Awareness	Number Attended
AML/CFT Training for a Bank	11
AML/CFT Training for a Finance company	20
Total Employees Attended	31

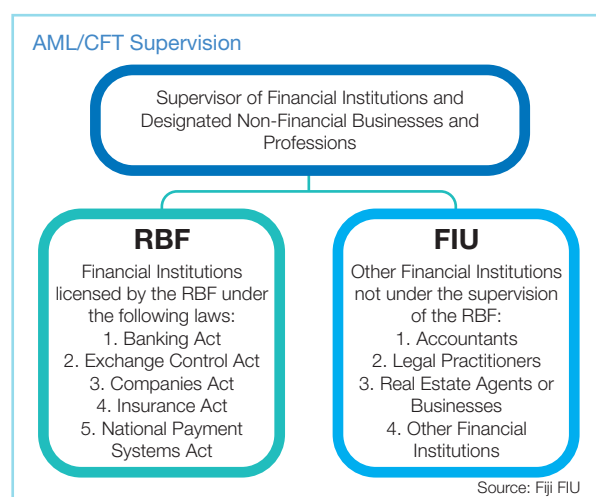
Source: Fiji FIU

During 2023, the FIU continued its engagement with the real estate and legal sectors to enhance the industry's level of awareness and compliance.

The FIU also used its website to promote awareness of the requirements of the FTR Act including new initiatives, guidelines and policies issued by the FIU.

Supervision of Financial Institutions

The FIU and RBF are required to supervise financial institutions' compliance with the FTR Act and Regulations.



Supervision of financial institutions for compliance with their obligations under the FTR Act and Regulations is undertaken by the FIU through a combination of on-site examination and offsite monitoring programmes.

The FIU's Alert Monitoring System (AMS) was used to monitor financial institutions offsite on a weekly basis for their compliance with requirements to report CTRs and EFTRs to the FIU. The weekly AMS reports were analysed by the FIU to identify breaches of the 5-day reporting obligation.

The FIU's intelligence management team, during their analysis process also identified cases of possible non-compliance by financial institutions. These cases were subject to internal enforcement processes by the FIU compliance team.

The FIU also relies on the on-site supervision programme of the RBF to assess the compliance of RBF licensed financial institutions with the FTR Act and Regulations. These financial institutions include commercial banks, insurance companies and brokers, credit and finance companies, restricted foreign exchange dealers and money changers, mobile phone money remitters and capital markets.

During 2023, the FIU conducted on-site examinations and assessments of six legal practitioners and seven real estate agents. The FIU also joined the RBF for an on-site AML/CFT compliance examination of a commercial bank. The FIU also provided policy advice to RBF supervisors as and when needed on AML/CFT compliance issues.

Appropriate Enforcement Action

Enforcement tools are applied to ensure compliance by financial institutions with their obligations under the FTR Act and Regulations. The FIU may undertake enforcement actions such as criminal/civil actions, administrative monetary penalties and other remedial measures to ensure that financial institutions comply with the law and other regulatory instruments. The legal basis for applying enforcement action is provided under the FTR Act and FTR Regulations.

The following enforcement actions were undertaken by the FIU in 2023:

1. Financial institutions are required to report their CTRs and EFTRs within five working days from the date of transaction.

During 2023, there were eight breaches of the five-day transaction reporting requirement. The FIU addressed these breaches by immediately

issuing notifications to the respective financial institutions to rectify the breaches. In most of the cases, the financial institutions were able to rectify the breach within a reasonable time. The FIU issued only one formal non-compliance letter in 2023.

Reporting Requirement Non-Compliance

Reporting Requirement Non-Compliance	2019	2020	2021	2022	2023
No. of breaches of the 5 days reporting requirement	23	30	21	16	8
No. of formal non-compliance letters/ correspondences issued	2	2	2	1	1

Source: Fiji FIU

2. The FIU reviews the reports submitted by financial institutions to identify data quality issues and ensure that fields (especially mandatory fields) in the transaction reports are completed accurately. Any data quality issues, once identified, is registered and communicated immediately by the FIU to the relevant financial institution for its necessary remedial action.

In 2023, the FIU identified 17 data quality issues. These related to CTRs or EFTRs submitted by financial institutions with incomplete or incorrect information. The cases were subjected to the FIU's enforcement processes and the issues were resolved by the relevant financial institutions within a reasonable time.

Technology Driven Processes

The FIU strives to implement technology driven processes in the performance of its functions. This is achieved by the following strategies:

- effective data reporting;
- developing innovative data management systems and analytic tools; and
- improving data quality and information security.

The FIU's Information Management System Online (FFIMSO) consists of two online web application systems, namely Online Data Delivery System (ODDS) and Transaction Query System (TRAQ).

As at 2023, the FIU had a total of 30,887,170 financial transaction reports and BCRs on its database which formed the basis of the FIU's intelligence process.

Financial Transaction Reports Held on the FIU Database



FFIMSO

EFTR 21,528,912

CTR 7,429,078

TTR 1,910,295

STR⁴ 10,530

BCR 8,355

TOTAL 30,887,170

Source: Fiji FIU

ODDS is used by financial institutions in Fiji to securely and electronically submit financial transaction reports to the FIU.

At the end of 2023, 172 reporting entities were registered on ODDS. ODDS was accessed by 97 authorised individual users, 8,029 times during 2023.

The FIU continued to provide support and training to reporting entities on the use of ODDS to securely submit financial transaction reports in a timely manner.

ODDS Registration

Sector	No. of Reporting Entities Registered for Online Reporting to the FIU
Commercial Banks	6
Foreign Exchange Dealers & Money Remitters	9
Mobile Phone Money Remitters	2
Finance Companies	12
Legal practitioners	73
Insurance & Superannuation	14
Accounting Firms	12
Securities and Brokers	3
Real Estate Agents	30
Money Lenders	1
Statutory Authority	4
Others	6
TOTAL	172

Source: Fiji FIU

In 2023, the FIU received a total of 5,242,280 financial transaction and other reports. These reports consisted of STRs⁵, CTRs⁶, TTRs⁷, EFTRs⁸, and BCRs⁹. ODDS received an average of 436,902 financial transaction reports per month in 2023.

⁴ Includes 1,145 STRs that were reported between 2000 – 2005 under section 61 of the Proceeds of Crime Act.

⁵ Suspicious Transaction Report (STR) is a report by financial institutions to the FIU on any transaction (including attempted transactions) or information which it suspects or has reasonable grounds to suspect maybe related to the commission of: a) a money laundering offence; b) a financing of terrorism offence; c) a serious offence.

⁶ Cash Transaction Report (CTR) is a report by non-banks to the FIU on any cash transaction of \$5,000 and above (or its equivalent in foreign currency).

⁷ Threshold Transaction Report (TTR) is a report by the banks to the FIU on any transaction of \$5,000 or more.

⁸ Electronic Funds Transfer Report (EFTR) is a report by the banks, money remittance providers, mobile phone operators to the FIU on all international electronic fund transfer transactions.

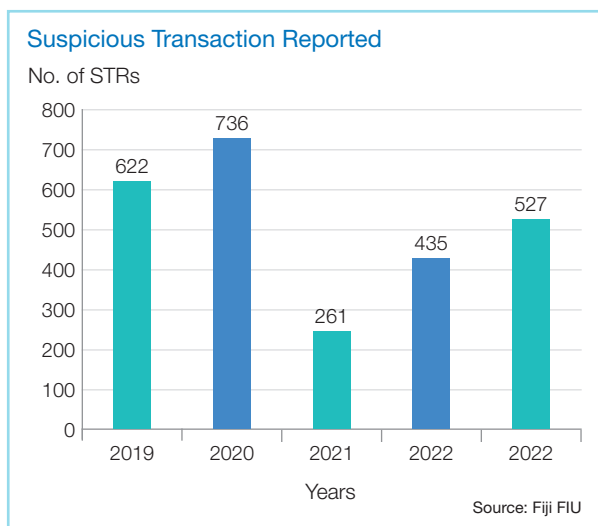
Financial Transaction Reports Received

	2019	2020	2021	2022	2023
STR	622	736	261	435	527
CTR	794,044	619,987	586,382	572,269	22,321
TTR	0	0	0	233,770	1,676,525
EFTR	1,515,681	1,866,197	2,434,091(r)	2,960,501	3,542,848
BCR	1,102	266	99	640	599
TOTAL	2,311,449	2,487,186	3,020,833(r)	3,767,615	5,242,280
Monthly Total Average	192,621	207,266	251,736 (r)	313,968	436,902

Source: Fiji FIU

Suspicious Transaction Reports

The FIU received 527 STRs¹⁰ in 2023 or an average of 44 STRs per month compared to 435 STRs received in 2022.



Suspicious Transactions Reported by Sector

Financial Institutions and Persons Reporting	Number of Financial Institutions Registered with FIU	No. of STRs Received				
		2019	2020	2021	2022	2023
Commercial Banks	6	459	636	177	246	401
Money Remittance Service Providers	11	136	68	36	154	74
Finance Companies	11	6	3	3	4	5
Members of the Public	-	5	18	32	22	14
Regulatory Authorities	-	0	0	1	0	2
Law Firms	45	3	1	1	4	2
Accounting Firms	17	0	1	0	0	0
Insurance Companies and Superannuation	13	7	6	6	2	10
Securities, Unit Trusts	4	2	1	0	3	8
Real Estate Businesses	29	1	1	0	0	0
Mobile Phone Operators	2	0	1	4	0	11
Others ¹¹	1	3	0	1	0	0
TOTAL	139	622	736	261	435	527

Source: Fiji FIU

STRs were reported to the FIU by various financial institutions including members of the public. The majority of the STRs continue to be reported by commercial banks (2023: 76%; 2022: 57%) followed by the money remittance service providers (2023: 14%; 2022: 35%).

⁹ Border Currency Report (BCR) is a declaration completed by a traveler at the borders if they are carrying on themselves or in their possessions, any currency or bearer negotiable instruments of \$10,000 or more (or equivalent amounts in foreign currency).

¹⁰ 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 suspicious transactions.

¹¹ "Others" include STRs filed by foreign FIUs.

About 75% of STRs were received electronically via ODDS. The remaining 25% of STRs were reported via email or hardcopy reports that were later converted into digital format on ODDS.

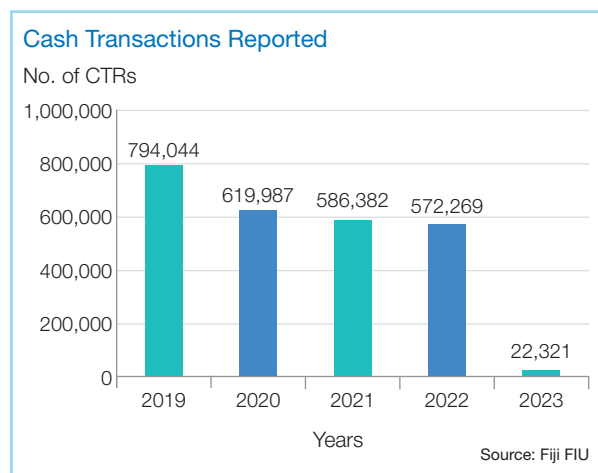
STRs are reported manually through an online form on ODDS. The STRs from ODDS are then transferred to TRAQ which is an internal application used for analysis by the Intelligence Management team.

The STRs from TRAQ are automatically curated in a particular format and uploaded to CMS.

Cash Transaction Reports

The FIU received 22,321 CTRs in 2023 or an average of around 1,860 CTRs per month. This is a decrease of 96% compared to 572,269 CTRs received in 2022.

From 1 November 2022, all non-bank financial institutions began reporting CTRs under the revised \$5,000 cash threshold. Commercial banks excluded from reporting CTRs contributed to the large decrease in CTRs received in 2023.



About 23% of CTRs were batch reported on ODDS by non-bank financial institutions and 77% of CTRs were reported manually via the online data entry form on ODDS. The batch reporting of transactions is more efficient for large volumes of CTRs and it eliminates the risk of a human error during data entry.

Majority (82%) of the CTRs received during 2023 were reported by foreign exchange dealers and money remittance service providers.

Cash Transactions Reported by Sector

Sector	2019	2020	2021	2022	2023
Commercial Banks ¹²	788,467	616,660	583,175	565,312	0
Foreign Exchange Dealers and Money Remittance Service Providers	3,381	1,414	1,448	4,960	18,361
Finance Companies	1,186	1,000	841	1,108	1,452
Insurance and Superannuation Fund	320	397	594	419	270
Law Firms	519	355	252	310	35
Securities/ Brokers/ Advisors	161	153	72	151	278
Statutory Authority	4	0	0	0	0
Real Estate	6	8	0	6	4
Mobile Phone Money Remitters	0	0	0	3	1,921
Total	794,044	619,987	586,382	572,269	22,321

Source: Fiji FIU

¹² From November 2022, the commercial banks ceased reporting cash transaction reports.

Threshold Transactions Reports

The FIU received 1,676,525 TTRs in 2023 or an average of around 139,710 TTRs per month from the commercial banks. Majority of the TTRs were batch reported on ODDS by commercial banks.

The TTR framework came into force in November 2022 and is a reporting obligation applicable only to commercial banks.

Threshold Transactions Reported

Year	Total TTRs	Monthly Average TTRs
2022	233,770	116,885
2023	1,676,525	139,710

Source: Fiji FIU

Electronic Funds Transfer Reports

The FIU received 3,542,848 EFTRs in 2023 or an average of around 295,237 per month. This is an increase of 20% compared to 2,960,501 EFTRs received in 2022. Majority (99%) of the EFTRs were batch reported on ODDS.

Electronic Funds Transfer Reported



Majority (60%) of EFTRs were received from the mobile phone money remitters. There was an increase of 43% in the number of EFTRs received from the mobile phone money remitters sector in 2023.

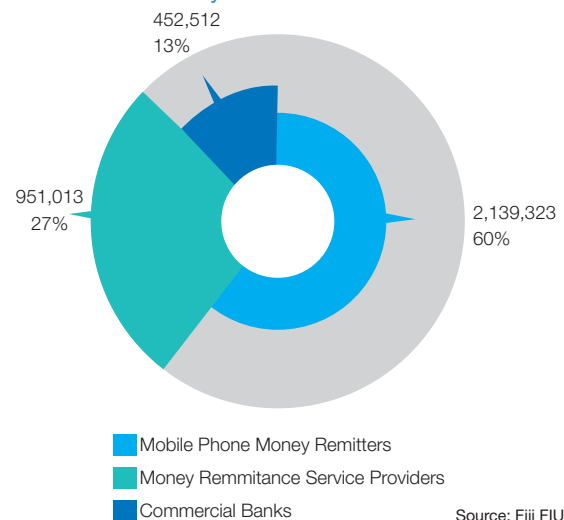
The increase in EFTRs from the mobile phone money remitters was due to the substantial demand by consumers for the use of the mobile money wallet for funds transfer. This is considered as a convenient and cheaper alternative to remit funds to Fiji compared to traditional remittance channels.

Electronic Fund Transfer Transactions Reported by Sector

Sector	2019	2020	2021	2022	2023
Money Remittance Service Providers	1,088,292	1,376,295	1,319,304	980,133	951,013
Commercial Banks	360,595	329,965	348,597	479,275	452,512
Mobile Phone Money Remitters	66,794	159,937	766,190 ¹³	1,501,093	2,139,323
Total	1,515,681	1,866,197	2,434,091	2,960,501	3,542,848

Source: Fiji FIU

EFTRs Received by Sector 2023



¹³ EFTRs of Mobile Phone Money Remitters for 2021 has been revised from 216,501 to 766,190.

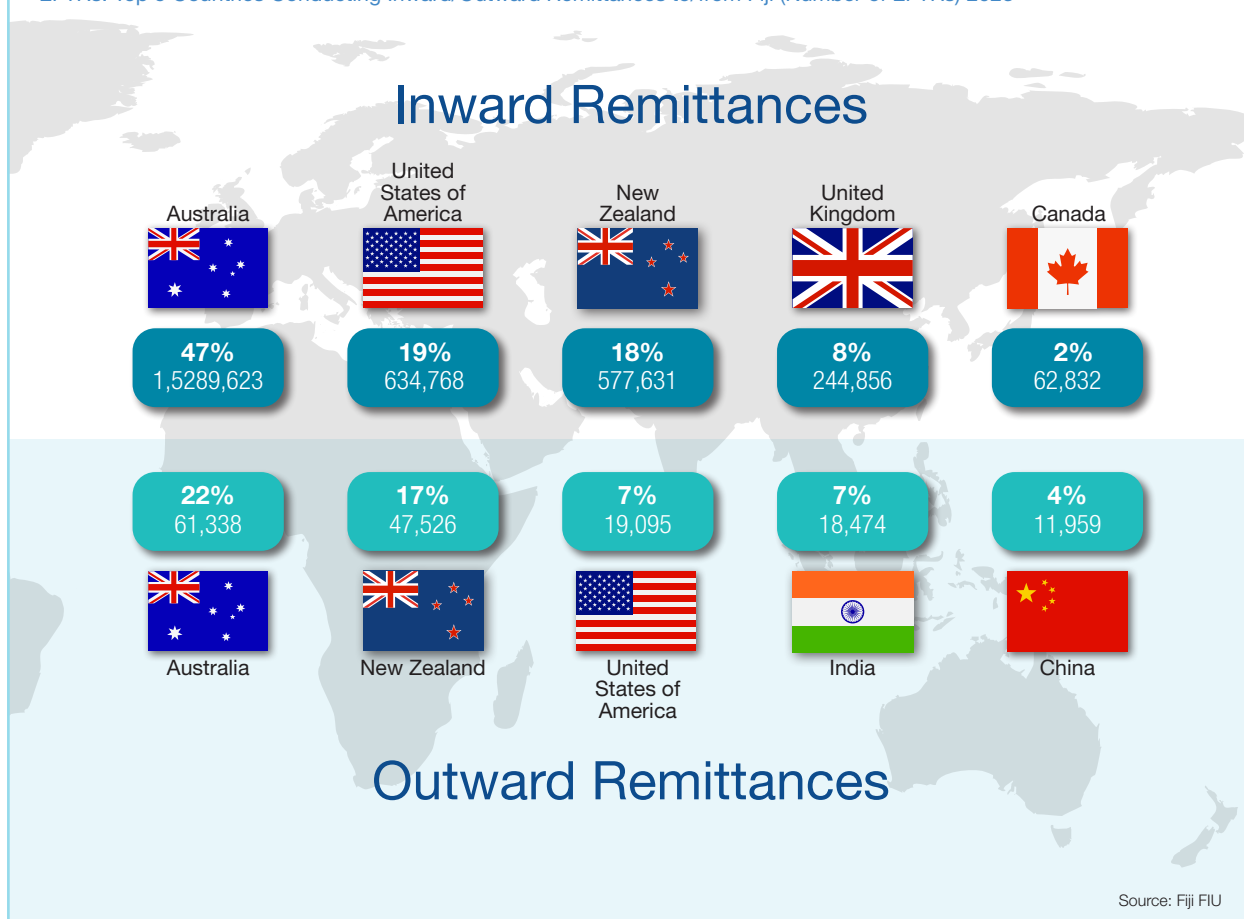
EFTRs may involve remittances into Fiji (inward) or remittances out of Fiji (outward). Majority (92%) of EFTRs received during 2023 were for inward remittances compared to 91% of inward remittances in 2022.

Inward international remittance transactions reported to the FIU were conducted from the following ten major countries: Australia, United States of America,

New Zealand, United Kingdom, Canada, Cook Islands, Vanuatu, Ireland, Tuvalu and Tonga.

Outward international remittance transactions reported to the FIU were made to the following ten major countries: Australia, New Zealand, United States of America, India, China, Bangladesh, Philippines, Hong Kong, Solomon Islands and Singapore.

EFTRs: Top 5 Countries Conducting Inward/Outward Remittances to/from Fiji (Number of EFTRs) 2023

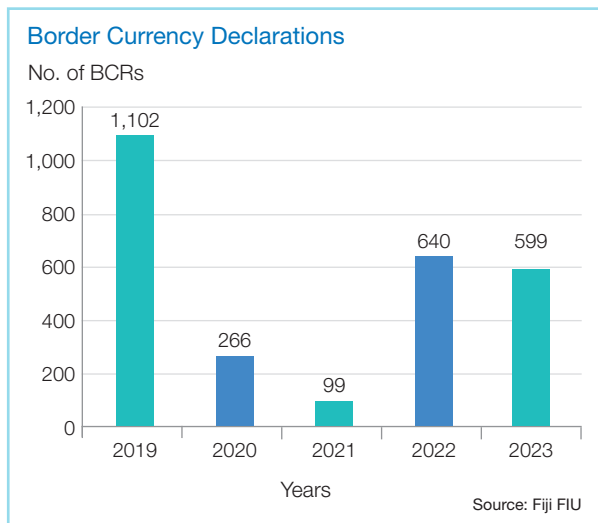


Border Currency Reports

All travellers 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).

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

In 2023, the FIU received 599 BCRs compared to 640 BCRs received in 2022.



There were more declarations made by outbound travellers compared to inbound travellers in 2023. In 2023, 57% of declarations were made by outbound travellers while 43% of declarations were made by inbound travellers.

BCR Declarations

Persons Declaring	2019	2020	2021	2022	2023
Declarations made by inbound travellers	436	81	29	201	255
Declarations made by outbound travellers	666	185	70	439	344
TOTAL	1,102	266	99	640	599

Source: Fiji FIU

The total value of currency declared by travellers in the BCRs in 2023 was about \$39 million.

Value of Border Currency Reports Received

Persons Declaring	Value of Currency Declared (\$million)				
	2019	2020	2021	2022	2023
Travellers Arriving in Fiji	19.3	5.4	0.5	4.9	10.3
Travellers Departing Fiji	44.3	10.5	1.5	32.8	28.7
Total	63.6	15.9	2.0	37.7	39.0

Source: Fiji FIU

Majority of BCRs declared by inbound and outbound travellers ranged in the value of \$10,000 - \$100,000.

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. In 2023, there was one reported case of BCR non-declaration.

Technology Solutions to Improve Data Quality

The FIU employs controls which monitors the quality of data provided in financial transaction reports submitted by financial institutions on ODDS. Data quality issues are quickly identified by FFIMSO and raised with financial institutions for correction to the reports.

Furthermore, the FIU continued to work with financial institutions to ensure that their CTR, EFTR and TTR reporting solutions adequately meet the minimum standards for reporting.

During 2023, the FIU worked closely with commercial banks to implement systems that would enable them to report the TTRs as required. This will continue into 2024.

Access to Government Databases

The FIU currently has online access to six databases of partner government agencies. These databases provide crucial information to the FIU intelligence development process.

Cyber Security and Cyber Risks

In 2023, as part of ongoing cybersecurity measures the FIU conducted weekly cybersecurity scans on FFIMSO which flags any critical vulnerabilities and threats against potential cyber-attacks. The FIU also benefitted from the cybersecurity protocols and measures employed by the RBF.

The FIU's cybersecurity strategy is aimed at mitigating the risk of cyber-attacks and to protect against unauthorised exploitation of FFIMSO.

Transaction Query System

The FIU continued to use TRAQ in its intelligence process to perform profiling of entities or persons of interest. It is the central repository for the 30.9 million financial transaction reports and BCRs received from financial institutions and FRCS respectively.

During 2023, the ongoing maintenance and support for TRAQ was crucial to ensure that the FIU intelligence team is able to effectively analyse the STRs received.

TRAQ was accessed by 16 FIU officers and 9 direct database access (DDA) officers in 2023. DDA officers are officers from partner law enforcement agencies that are authorised to access TRAQ. TRAQ was accessed 1,742 times by the FIU officers and 23 times by DDA officers during 2023.

Remote Access to TRAQ for Partner Agencies

In 2023, FIU completed the consultation and planning phase for the secure remote access of TRAQ to partner agencies. FIU is currently in the implementation and pilot phase of this project. This will continue into 2024. Allowing remote access to TRAQ will enable FIU partner agencies to access FIU information in a secure, convenient and timely manner.

Alert and Monitoring System

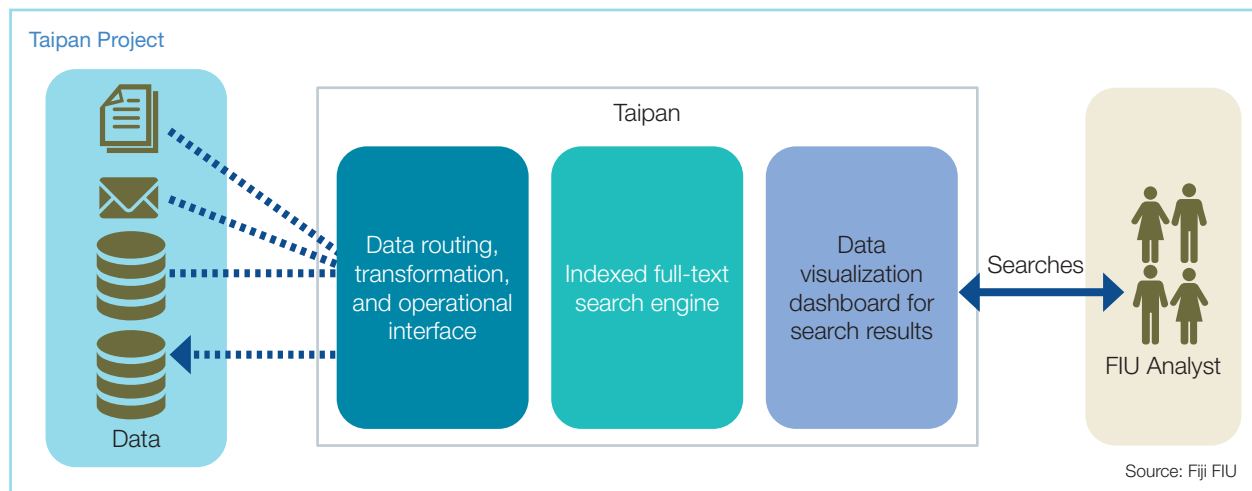
The FIU continued to use AMS which monitors all financial transaction reports maintained on the FFIMSO database for identifying suspicious transactions. Currently, AMS has 13 suspicious indicator rules which runs in the background. Alerts are generated and emailed to the intelligence team for further analysis and profiling.

Case Management System

The FIU continued to use CMS for managing STRs and CDRs. CMS centrally stores all STR information, case analysis details and dissemination reports. CMS also generates templates for case dissemination reports and link charts. During 2023, there was ongoing support and enhancement provided to ensure the effective operation of CMS.

Taipan Project

In 2023, FIU continued parallel testing of Taipan to ensure the system meets the FIU requirements and standards. The FIU IT Team continued to collaborate with AUSTRAC IT Team to provide resolutions to the issues identified during testing. The Taipan system went through an upgrade to the latest version introducing new features and functionalities, enhancing the overall user experience, security and performance. Several built-in processes was implemented on Taipan to improve the data quality of ingested FIU data for accuracy, completeness and integrity.



Partnerships

Collaboration with its partners is crucial for the FIU functions and it seeks to achieve this through three broad strategies as follows:

- i. enhancing its network for information sharing;
- ii. strengthening relationships with domestic and international partners; and
- iii. providing support to international partners on AML/CFT initiatives and engagement.

Information Sharing

The FTR Act provides the FIU with the authority to enter into MOAs with other agencies. The MOAs allow the FIU to exchange information and enhance networking and cooperation with domestic partner agencies.

The FIU has signed MOAs with 14 local partner agencies to date. As a result of these MOAs, the FIU is able to access six databases of government partner agencies. The FIU continued to engage with these partner agencies during 2023.

MOA signed with Domestic Partner Agencies

Agency	Date MOA Signed	Type of MOA
Immigration Department	12 July 2007	Information exchange
FRCS	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/FRCS/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
Real Estate Agents Licensing Board	24 April 2017	Information exchange
Post Fiji Pte Limited	19 March 2020	Information exchange
iTaukei Land Trust Board	4 August 2021	Information exchange

Source: Fiji FIU

As part of these MOA arrangements, authorised officers from the FPF, FRCS and FICAC continued to have direct access to the FIU's central database or TRAQ. In 2023, there were 61 officers who had this direct access to the FIU database.

The officers used this arrangement to obtain intelligence on persons or entities of interest who are subject to their investigations and profiling.

Two officers from FRCS and one officer from FPF continued to be seconded to the FIU in 2023 as provided under the MOA arrangement.

Engagements with Domestic Partners

During 2023, the FIU held meetings with Acting Commissioner of Police, Permanent Secretary of Justice, Attorney General, Deputy Prime Minister and Minister of Finance and Minister of Home Affairs and Immigration. These meetings were aimed at discussing common issues and topics for collaboration and networking between agencies.

The FIU continued to contribute to national policy formulation, implementation and coordination through participation in various national committees and provided input into various national strategies.

In 2023, the FIU was involved in various multi-agency operational taskforces.

The FIU is coordinating the Non-Profit Organisation (NPO) sector review in Fiji with the APG and the Ministry of Justice. NPOs provide support to the public and private sectors in order to improve living conditions, promote development, improve education and, more generally, encourage social progress. However, the sector has vulnerabilities that increase its risk of exploitation for terrorist financing. The APG is supporting Fiji in this project to ensure

Fiji's compliance with FATF Recommendation 8 and Immediate Outcome 10. This review will continue in 2024.

In 2023, the APG also engaged with Fiji on an offer to provide technical assistance to Fiji on asset confiscation (with funding by the New Zealand Government). The main objective of the technical assistance is to assist Fiji to strengthen its capability to freeze, seize and confiscate assets linked to money laundering investigations and financial investigations of higher-risk predicate crimes. The FIU coordinated the preliminary consultation and liaison on this project with APG and domestic law enforcement agencies. This project will continue in 2024.

Engagements with International Partners

The FIU engaged closely with various international partners through its membership of various international forums, working groups and taskforce. Through its memberships of these international forums, working groups and taskforce, the FIU is able to exchange information and contribute to international AML/CFT policy formulation and projects.

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, as the designated lead agency for Fiji, liaised closely with the APG in 2023 on various national outputs, APG governance and other policy and mutual evaluation matters including the submission of Fiji's sixth Follow-Up-Report.

During 2023, the FIU participated in the following key APG activities:

- i. participated in various APG surveys and contributed to discussion papers;

- ii. Mutual Evaluation Committee meetings and discussions on mutual evaluation reports and FURs of APG members; and
- iii. Coordination on technical assistance projects for Fiji
- iv. participated as an Assessor and Reviewer in the mutual evaluation of other APG members
- v. attended the APG Annual Plenary Meeting.

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

Pacific Financial Intelligence Community

The FIU is a founding member of the Pacific Financial Intelligence Community (PFIC) which is a regional body consisting of FIUs from the South Pacific region including Australia and New Zealand. The PFIC held its first meeting in 2021.

The PFIC provides a forum for Pacific FIUs focused on operational outcomes and other issues of specific interest to the Pacific region. PFIC encourages multilateral and bilateral collaboration across the region on issues of mutual priority through the regular dialogue and engagement between members that it provides. In 2023, PFIC held its 2nd Annual Plenary in Rarotonga in Cook Islands. The FIU continued to contribute to the discussions and decisions of PFIC and its Working Groups.

Egmont Group

The Fiji FIU is a member of the Egmont Group of FIUs. The FIU continued to participate in the activities of the Egmont Group during 2023. 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 169 other Egmont Group members. During 2023, the Fiji FIU continued to provide assistance and information to other Egmont Group members upon request via the ESW.

AUSTRAC

The FIU continues to benefit from its engagement with AUSTRAC through sharing of AML/CFT information and intelligence. From 2021, AUSTRAC has been engaging with FIU on the TAIPAN project to strengthen the FIU's information technology infrastructure. The system will enhance the FIU's IT and data analysis capabilities. In 2023, the FIU IT Team continued to collaborate with AUSTRAC IT Team to provide resolutions to the issues identified during testing to ensure the system meets the FIU requirements and standards.

Pacific AML/CFT Supervisors Forum

The FIU is a member of the Pacific AML/CFT Supervisors Forum which consists of AML/CFT supervisors from the Pacific including New Zealand and Australia. The Forum provides a platform for supervisors to share their experiences and challenges on AML/CFT supervision in their respective jurisdictions. In 2023, the Forum held its first face-to-face meeting in Auckland, New Zealand.

Memorandum of Agreements with Foreign FIUs

The FIU is authorised under the FTR Act to 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. These MOAs allow for a more formal engagement with international FIUs and partners on AML/CFT matters. The FIU has signed MOAs with 32 foreign FIUs to date. Refer to Appendix 1.

Our People

The FIU endeavours to enhance the potential of its people and governance processes by:

- cultivating a skilled, motivated and high performing team; and
- ensuring corporate governance through strong internal controls and performance reporting.

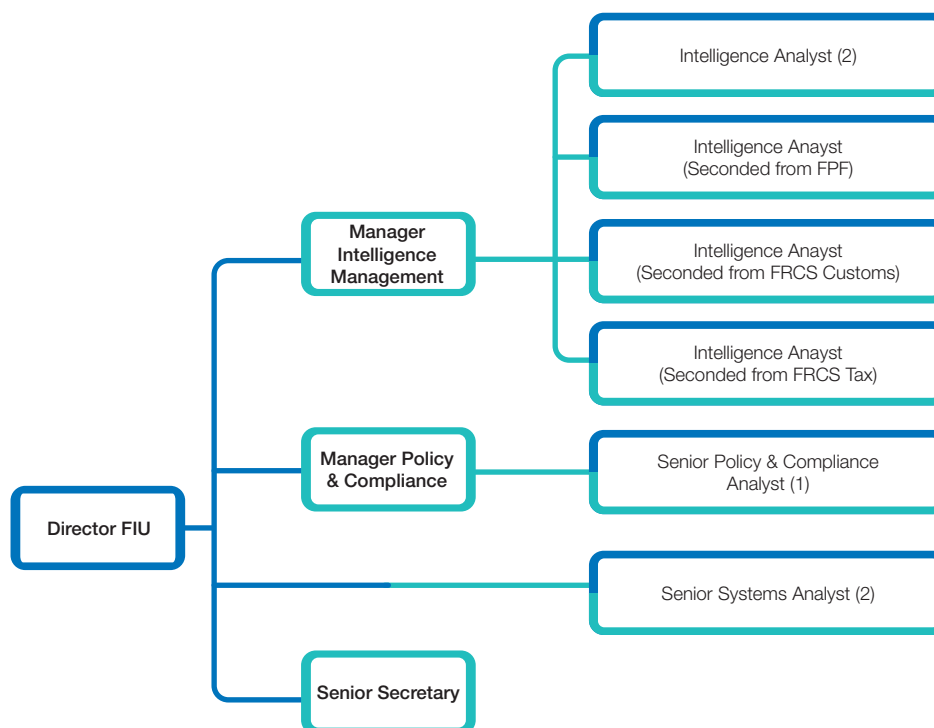
As at the end of 2023, the FIU had nine permanent staff and three officers on secondment from partner agencies (one FPF officer and two FRCS officers). The FIU also had a short-term (6 month) secondment arrangement with a foreign partner agency (Australian

Criminal Intelligence Commission). There was a staff resignation during the year.

The year also marked the retirement of Mr Razim Buksh, who had worked for the RBF for 36 years. He was appointed the Director of FIU from January 2006 until his retirement in December 2023.

During the year FIU staff attended various training workshops and technical forums as part of professional development of staff. The trainings were provided virtually and face-to-face by various partners such as APG, AUSTRAC and UNODC.

FIU Organisation Structure 2023



Source: Fiji FIU

Governance and Communication

The FIU continued to provide monthly reports on its operations to the Governor of the RBF and the Chair of the National AML Council. The FIU also provided regular updates to the Chair of the National AML Council on key AML/CFT national initiatives and projects.

The FIU fully implements the Egmont Group key governance instruments, namely the Egmont Charter, Operation Guidance, Principles of Information Exchange and Support and Compliance Process.

The FIU also implemented processes to comply with the international standards relating to financial intelligence units. These ensure that the FIU's operations are in line with international best practice.

In 2023, the FIU made submissions to the Parliament Standing Committee on Economic Affairs on the FIU Annual Report 2021 and 2022.

The FIU uses the media and its website to communicate key AML/CFT initiatives to the general public and its stakeholders. In 2023, the FIU issued three media releases and held two interviews with the media on Fiji's anti-money laundering regulations. The FIU also continued to use its website to disseminate information to financial institutions and the public on the regulatory requirements.

Funding and Expenditure

The RBF continued to fund the operations of the FIU in 2023. The FIU's total expenditure for 2023 was \$1,066,883 compared to \$919,883 in 2022. The expenditure of the FIU is incorporated into the financial statements of the RBF and is audited as part of its annual accounts.

FIU Funding and Expenditure

	2022	2023
Operating Expenditure	910,000	1,057,000
Capital Expenditure	9,883	9,883
TOTAL	919,883	1,066,883

Source: Reserve Bank of Fiji

The RBF also provided other administrative support services to the FIU in 2023 in the areas of human resource management, accounting, information technology services, security services and other general administrative services.

The FIU received indirect funding assistance from FRCS and the FPF through the secondment of their staff with the FIU in 2023. The salaries of the seconded officers were fully funded by their respective agencies.

In 2023, the FIU also received assistance from various organisations to fund staff attendance at technical trainings and meetings.

5 NATIONAL AML COUNCIL

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

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.

The members of the National AML Council are:

1. Permanent Secretary for the Ministry for Justice, as Chairperson;
2. Director of the ODPP;
3. Commissioner of Police;
4. Governor of the RBF;
5. Chief Executive Officer of the FRCS; and
6. Director of the FIU.

The Council may invite other persons to attend the Council meetings.

Council's Activities

Key outputs driven by the National AML Council in 2023 were as follows:

- i. submission of Fiji's Follow-Up Report without re-rating to the APG in October 2023;
- ii. coordination of work currently being undertaken by the Office of the Solicitor General and Ministry of Justice to address the remaining gaps from Fiji's 2016 mutual evaluation report;
- iii. ongoing support and contribution to APG work, namely, Fiji's contribution to the APG mutual evaluation programme, APG mandate paper and other governance issues; and
- iv. review of Fiji's national risk assessment including review of the ML/TF risk in the banking sector.

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; and
- iii. Law Enforcement Working Group.

The terms of reference of each Working Group is determined by the Council. 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.

The Working Groups provides updates at the National AML Council meetings on its activities.

6 APPENDICES

APPENDIX 1: MOA SIGNED 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
Cambodia	Cambodia FIU	5 December 2017
Canada	Financial Transactions and Reports Analysis Centre of Canada	12 July 2011
China	China Anti-Money Laundering Monitoring and Analysis Center	6 October 2021
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
Lao People's Democratic Republic	The Anti-Money Laundering Intelligence Office, National Coordination Committee For Anti-Money Laundering And Counter-Financing Of Terrorism Of The Lao People's Democratic Republic	26 July 2022
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
Papua New Guinea	Papua New Guinea FIU	29 January 2018
Philippines	The Anti-Money Laundering Council, The Financial Intelligence Unit of the Republic of the Philippines	13 July 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
Republic of Marshall Islands	Banking Commission-Financial Intelligence Unit	24 July 2017
Russia	Federal Financial Monitoring Service (Russian Federation)	28 June 2013
Thailand	The AML Office of the Kingdom of Thailand	25 October 2011
Timor-Leste	The Unidade de Informação Financeira	25 July 2022
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 FIUwv

7 SELECTED KEY STATISTICS 2019 - 2023

	Year	2019	2020	2021	2022	2023
Transaction and Currency Reports Received by FIU	Suspicious Transaction Reports	622	736	261	435	527
	Cash Transaction Reports	794,044	619,987	586,382	572,269	22,321
	Threshold Transaction Report ¹⁴	0	0	0	233,770	1,676,525
	Electronic Fund Transfer Transaction Reports	1,515,681	1,866,197	2,434,091(r)	2,960,501	3,542,848
	Border Currency Reports	1,102	266	99	640	599
	Year	2019	2020	2021	2022	2023
Suspicious Transaction Reports	Filed Away for future intelligence and analysis	132	372	551	322	189
	Case Dissemination Reports	84	270	174	219	163
Intelligence and Information Reports to Stakeholders	Information Dissemination Reports	222	127	82	87	62
	Due Diligence Reports	89	70	30	82	93
Notices to Financial Institutions	Alert Notices	9	20	8	5	1
	Directives	3	6	3	6	6
Enquiries with Financial Institutions	Request for further information to financial institutions	603	645	340	1,639	1,003
	Year	2019	2020	2021	2022	2023
Education and Awareness	Number of employees of Financial Institution	79	104	161	109	38
	Number of Financial Institutions	1	4	27	44	9
	Employees of Law Enforcement Agencies	152	0	115	0	20

Source: Fiji FIU

¹⁴ TTR reporting by banks commenced on 1 November 2022.

8 GLOSSARY

AML	Anti-Money Laundering
AMS	Alert and Monitoring System
APG	Asia Pacific Group on Money Laundering
AUSTRAC	Australian Transaction Reports and Analysis Centre
BCR	Border Currency Report
CDR	Case Dissemination Report
CFT	Combating the Financing of Terrorism
CMS	Case Management System
CTR	Cash Transaction Report
DDA	Direct Database Access
DNFBP	Designated Non-Financial Businesses and Professions
EFTR	Electronic Funds Transfer Report
ESW	Egmont Secure Web
FATF	Financial Action Task Force
FFIMSO	Fiji FIU Information Management System Online
FICAC	Fiji Independent Commission Against Corruption
FIU	Financial Intelligence Unit
FRCS	Fiji Revenue and Customs Service
FPF	Fiji Police Force
FTR	Financial Transactions Reporting
ML	Money Laundering
MOA	Memorandum of Agreement
MRSP	Money Remittance Service Provider
NRA	National Risk Assessment
ODDS	Online Data Delivery System
ODPP	Office of the Director of Public Prosecutions
PFIC	Pacific Financial Intelligence Community
RBF	Reserve Bank of Fiji
STR	Suspicious Transaction Report
TF	Terrorist Financing
TRAQ	Transaction Query System
TTR	Threshold Transaction Report



FijiFIU

Fiji Financial Intelligence Unit

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