



FijiFIU

Fiji Financial Intelligence Unit



National Anti-Money Laundering Conference

18 February 2009

Holiday Inn, Suva

Theme:

“Protecting Fiji from Money Laundering”

Keynote Address by:

Chief Guest

Mr Aiyaz Sayed-Khaiyum

Attorney General, Minister for Justice, Public Enterprises,
Electoral Reform and Anti-Corruption

Members of the judiciary, PS Justice, Ladies and Gentlemen.

Bula Vinaka and good morning.

It is a pleasure for me to be here this morning.

Today is the first time that the key players participating in Fiji's efforts to combat money laundering are all under one roof.

We have here in the audience representatives from banks; finance companies; the insurance industry; money remittance providers; law and accounting firms; real estate businesses and other private sector institutions.

We have a strong representation from the public sector – the Police, FIRCA, RBF, FIU, DPP’s Office, FICAC and other regulatory agencies.

We also have representatives from regional agencies, educational institutions, media, and donor agencies.

Ladies and Gentlemen I do not need to go over and reiterate the ills of money laundering.

Suffice to say money laundering unchecked creates and entrenches criminal activity and has a drastic impact on the GDP of any country.

The Financial Intelligence Unit estimates that around one hundred million Fijian dollars (F\$100,000,000) is linked to money laundering transactions and tax evasion cases in Fiji annually. This figure is expected to increase as more cases continue to be detected and uncovered by the law enforcement agencies. \$100million equates to approximately 1.5% of Fiji’s GDP.

However, this figure indicates that Fiji’s money laundering risk is in the lower bracket when compared globally, the global estimate is 2 to 4.8% of the global GDP.

However, we must not get complacent.

Various agencies such as FIU, Fiji Police Force, FIRCA, Immigration Department, National Anti-Money Laundering Council and FICAC all contribute to the overall implementation of money laundering laws and policies and overall measures to curb criminal activities pertaining to money laundering and related offences such as bribery and corruption.

It should be noted and understood that none of the enforcement agencies can operate and should operate on its own and in isolation. Of course none of the enforcement agencies can work effectively without the cooperation and assistance of the private sector.

Indeed the Bainimarama Government is committed to providing a transparent regulatory framework. It is also committed to working very closely with the private sector to create an environment that ensures that all facets of our economy and system of governance are transparent on a level playing field.

According to a recent World Bank report, Fiji has a strong anti-money laundering legislative framework. The report noted that these laws are in compliance with international standards.

We have legislative provisions such as the Proceeds of Crime Act, the Mutual Assistance in Criminal Matters Act, the Financial Transactions Reporting Act and the FTR Regulations. Last year Fiji ratified UNCAC.

Complementary to these, Fiji also has the Prevention of Bribery Promulgation and FICAC. The Government has also put itself up for review facilitated by the UN office for Drugs and Crime under the UNCAC paradigm.

These statutory provisions and international obligations create a range of money laundering preventative regulatory measures that extends to a wide range of financial institutions and non-financial professions and businesses.

As the Minister responsible for the FTR Act and the FIU and as someone who has worked for and represented a financial institution I wish to make a special mention of the role of Anti-Money Laundering Compliance Officers in banks and other institutions and businesses. They are at the forefront.

Some of the successful cases that have been instituted were as a result of their diligence and hard work. We all, including their employers must give them due recognition.

For the public sector, the challenge is to coordinate efforts amongst multiple government agencies and officials when investigating and prosecuting money laundering cases. Agencies should be able to share and exchange intelligence and communicate with each other freely.

Agencies like the DPP's Office, Police, FIU, FICAC, TCU, FIRCA, the Immigration Department and others need to further strengthen their networking capacity. The challenge is not to get territorial and/or parochial but to work in mutual cooperation.

No doubt the stringent requirements of the Financial Transactions Reporting Act is a necessary challenge for the private sector. Yes, it does have financial and administrative implications for the private sector and also for the enforcers but it is necessary. In fact, in the long run it is economical and beneficial to implement such requirements.

You today have a range of speakers from the various sectorial groups within the money laundering framework.

Ladies and gentlemen, their presentations should provide further insight and I urge you to take advantage

of this opportunity to learn from each other and work together.

I wish to also thank FIU the organizers of this conference. No doubt its Director and staff have put in a lot of effort.

I now have much pleasure in declaring the 2009 National Anti-Money Laundering Conference open.

Vinaka Vakalevu.
