



5th Follow-Up Report

Mutual Evaluation of Fiji

December 2021





**Asia/Pacific Group
on Money Laundering**

The Asia/Pacific Group on Money Laundering (APG) is an autonomous and collaborative international organisation founded in 1997 in Bangkok, Thailand consisting of 41 members and a number of international and regional observers. Some of the key international organisations who participate with, and support, the efforts of the APG in the region include the Financial Action Task Force, International Monetary Fund, World Bank, OECD, United Nations Office on Drugs and Crime, Asian Development Bank and the Egmont Group of Financial Intelligence Units.

APG members and observers are committed to the effective implementation and enforcement of internationally accepted standards against money laundering and the financing of terrorism, in particular the Forty Recommendations of the Financial Action Task Force on Money Laundering (FATF).

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FIJI: 5TH ENHANCED FOLLOW-UP REPORT 2021

I. INTRODUCTION

1. The mutual evaluation report (MER) of Fiji was adopted in September 2016. This FUR presents the progress Fiji has reported in addressing the technical compliance deficiencies identified in its MER. This report does not include detailed analysis of technical compliance or analysis of any progress Fiji has made to improve its effectiveness.

2. As Fiji did not request re-ratings for any Recommendations, the preparation of this report was undertaken by the APG Secretariat.

II. FINDINGS OF THE MUTUAL EVALUATION REPORT

3. Fiji's MER ratings¹ and updated ratings based on earlier FUR are as follows:

R.	Rating	R.	Rating
1	PC (MER 2016) ↑ LC (FUR 2017)	21	LC (MER 2016)
2	PC (MER 2016) ↑ LC (FUR 2018)	22	NC (MER 2016) ↑ PC (FUR 2017) ↑ LC (FUR 2018)
3	LC (MER 2016)	23	PC (MER 2016) ↑ LC (FUR 2018)
4	C (MER 2016)	24	PC (MER 2016)
5	PC (MER 2016) ↑ C (FUR 2017)	25	PC (MER 2016)
6	NC (MER 2016) ↑ PC (FUR 2017)	26	LC (MER 2016)
7	NC (MER 2016) ↑ PC (FUR 2017)	27	LC (MER 2016)
8	PC (MER 2016)	28	PC (MER 2016) ↑ LC (FUR 2018)
9	C (MER 2016)	29	C (MER 2016)
10	PC (MER 2016) ↑ LC (FUR 2017)	30	C (MER 2016)
11	PC (MER 2016) ↑ C (FUR 2017)	31	LC (MER 2016)
12	PC (MER 2016) ↑ C (FUR 2018)	32	LC (MER 2016)
13	C (MER 2016)	33	PC (MER 2016) ↑ C (FUR 2019)
14	C (MER 2016)	34	LC (MER 2016)

¹ There are four possible levels of technical compliance: compliant (C), largely compliant (LC), partially compliant (PC), and non-compliant (NC).

15	PC (MER 2016) ↑ C (FUR 2018)	35	PC (MER 2016) ↑ LC (FUR 2017)
16	PC (MER 2016) ↑ LC (FUR 2017)	36	PC (MER 2016) ↑ LC (FUR 2018)
17	PC (MER 2016) ↑ LC (FUR 2017)	37	LC (MER 2016)
18	PC (MER 2016) ↑ LC (FUR 2017)	38	C (MER 2016)
19	NC (MER 2016) ↑ C (FUR 2018)	39	PC (MER 2016)
20	LC (MER 2016)	40	LC (MER 2016)

4. At the time of its MER being adopted, Fiji was placed in enhanced (expedited) follow-up. On the basis of progress made, in 2017 Fiji was moved to enhanced follow-up. Fiji currently has six Recommendations rated PC and none rated NC.

III. OVERVIEW OF PROGRESS TO IMPROVE TECHNICAL COMPLIANCE

5. This section summarises the progress reported by Fiji to improve its technical compliance. The information presented has not been subject to analysis against the assessment methodology.

4.1. Progress to address technical compliance deficiencies identified in the MER

6. Fiji reports that it remains committed to addressing the remaining gaps identified in the 2016 MER. The Fijian Government through the National AML Council is driving national efforts to implement recommendations outlined in the MER. Fiji reported on a number of areas of progress on technical compliance, which are set out below.

Recommendation 1 (Assessing risk and applying a risk-based approach)

7. Fiji has completed and disseminated to all relevant stakeholders the Review of Money Laundering Threats Report in early 2021. The review provides an update on Fiji's ML/TF risks originally identified and assessed in its 2015 national risk assessment.

Recommendation 6 and 7 (TFS related to Terrorism and TF and PF)

8. Fiji is continuing its legislation reform project to enhance compliance with R.6 and R.7. The review of the Public Order Act including proposed new TFS provisions commenced in February 2018 and has been subject to a comprehensive evaluation by domestic and international partners. In late 2020, as part of consultations on revisions to the Act, it was decided to move the TFS provisions into a standalone Bill on TFS, which will address the requirements of R.6 and R.7. The TFS Bill was reviewed by two experts in early 2021 through the assistance of APG. Work is continuing on finalising the Bill.

Recommendation 8 (Non-profit organisations (NPOs))

9. Fiji, with technical assistance from the APG, commenced a review of the NPO sector in 2019. The project has completed the information collection and reporting phase. However, the project has been temporarily paused due to challenges in engaging with the NPO sector during COVID-19 restrictions/lockdowns and while many NPOs are providing COVID-19-humanitarian related assistance.

Recommendation 24 (Transparency and beneficial ownership of legal persons)

10. Fiji reported that the Registrar of Companies Office is planning to draft further regulations on beneficial ownership to support the 2019 amendments to Companies Act 2015 and the recently launched online company registry.

Recommendation 39 (Extradition)

11. Fiji reported that it is continuing to draft procedures to clarify the process for dealing with extradition requests including the designation of comity countries, and is actively supporting the APG's horizontal review of R.39 project.

4.2. CONCLUSION

12. As noted above, Fiji did not request technical compliance re-ratings and some further steps are noted towards addressing the technical compliance deficiencies identified in the MER. Fiji has six Recommendations remaining at the PC level, and has not been assessed against the new requirements under R.15².

13. Fiji will remain in enhanced follow-up, and will continue to report to the APG on progress to strengthen its implementation of AML/CFT measures. Fiji's next progress report is due in October 2022.

² See Fiji's 2020 FUR for details of measures to implement the new requirements of R.15.