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STRATEGIC ANALYSIS OVERVIEW

Overview

The FIU undertakes additional detailed analysis of financial transaction information and converts it into meaningful outputs. This is called strategic analysis.

This report provides highlights of strategic analysis on the types of reports that the FIU receives and a summary of the trends and case studies identified in 2016.

Strategic analysis outcomes enable the FIU and its stakeholders to understand the patterns and trends on money laundering and related issues. It has also enabled the FIU to draw conclusions for the strategic prevention of money laundering and the financing of terrorism in Fiji, to provide input for policy formulation and for setting operational priorities. Strategic analysis has also assisted the FIU to develop knowledge (strategic intelligence) relating to money laundering, the financing of terrorism and other threats to the security of Fiji's financial systems.

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OUTCOMES

Suspicious Transaction Reports

In 2016, majority of the STRs continued to be reported by commercial banks followed by the money remittance service providers (MRSPs). The STRs reported by the MRSPs showed an increase of 12 percent in 2016 compared to 2015. The total annual value of suspicious transactions that were reported to the FIU in 2016 decreased to \$74.7 million from \$82.7 million in 2015 due to a decrease in the value of the STRs reported to the FIU in 2016. Majority of the STRs were reported on the grounds of suspected advanced fee fraud followed by tax evasion and inconsistent customer profiles. Approximately 76 percent of the STRs submitted by financial institutions in 2016 were reported on transactions valued below \$50,000, out of which 41 percent of STRs were on transactions valued below \$5,000. 'Cash' continued to be the primary financial instrument type that is reflected in the STRs reported to the FIU. The majority, 62 percent of the STRs reported in 2016 involved Fijian currency. There were 503 (87 percent) STRs reported on transactions conducted by individuals/personal customers. 48 percent of STRs on individuals were reported on customers over the age of 40 years. Majority of the STRs continue to be received from financial institutions based in the Central/Eastern Division due to concentration of economic and commercial activities in this division.

Cash Transaction Reports

The FIU received 590,385 CTRs in 2016 averaging around 49,199 CTRs per month. The majority (99 percent) of the CTRs received during 2016 were reported by commercial banks. The majority (42 percent) of CTRs received by the FIU were for cash transactions between \$10,001 and \$20,000.

Electronic Funds Transfer Reports

The FIU received 1,148,711 EFTRs in 2016 averaging around 95,726 EFTRs per month. Majority (69 percent) of EFTRs were received from the money remittance service providers. EFTRs may involve remittances into Fiji (inward) or remittances out of Fiji (outward). Majority (77 percent) of EFTRs received during 2016 were inward remittance transactions.

Border currency Reports

In 2016, 546 BCRs were submitted to the FIU compared to 491 BCRs in 2015. There were more declarations made by outbound travellers compared to inbound travellers in 2016. The total value of currency.