



Notice to Legal Practitioners:
FIU Issues Guideline for Legal Practitioners
17 December 2021

New Guideline for Legal Practitioners

The FIU has issued Enforceable Guideline 9 on obligations of legal practitioners under the Financial Transactions Reporting (FTR) Act and Regulations. The Guideline provides guidance to legal practitioners on anti-money laundering (AML) and combating the financing of terrorism (CFT) requirements, such as, know your client, establish source of funds, and reporting suspicious transactions and clients to the FIU.

The Guideline will also assist legal practitioners to develop their internal procedures, policies, systems and controls on AML and CFT. An effective AML/CFT system will also prevent their businesses from being used by clients for illicit activities.

The Guideline is an enforceable instrument that is issued pursuant to the powers of the FIU under section 25.1(j) of the FTR Act and regulation 35 and 37 of the FTR Regulations. All covered legal practitioners must comply with the requirements of Guideline 9. The Guideline is effective from 17 January 2022.

Role of Legal Practitioners in Fiji's Efforts to Combat ML and TF

Fighting money laundering (ML) and terrorism financing (TF) in Fiji requires a concerted effort. Traditional financial institutions such as commercial banks, together with certain designated non-financial businesses and professions such as legal practitioners play a crucial role under Fiji's AML/CFT regime.

Legal practitioners are seen as the gatekeepers of the "financial system". Criminals seek the services of "gatekeepers", such as legal practitioners, to conceal their identity and illicit funds, to create that anonymity needed to be able to launder proceeds of illegal activities or engage in other criminal activities. Sophisticated criminals seek the services of legal practitioners to mask the ownership and source of tainted assets through the use of shell/front companies or nominee accounts with unknown beneficial owners. This may result in the abuse of a lawyer's trust accounts to launder illicit funds.

Therefore, legal practitioners are vulnerable to ML/TF risks. Legal practitioners play a critical role in ensuring their compliance with FTR Act requirements to mitigate their exposure of ML/TF risks.

Fiji is a member of the Asia/Pacific Group on Money Laundering (APG) and is required to implement FATF's international AML/CFT best practices.

Fiji Financial Intelligence Unit
www.fijifiu.gov.fj

Click here for [FIU Enforceable Guideline 9](#).