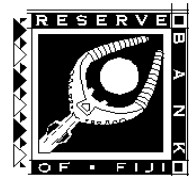




FijiFIU
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PRESS RELEASE

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MONEY REMITTANCE SERVICE PROVIDERS WELL REGULATED IN FIJI

The Financial Intelligence Unit (FIU) today further clarified the issue of the closing of bank accounts of money remittance service providers (MRSPs) recently by ANZ Bank.

Mr Razim Buksh, the Director of the FIU, said that he acknowledged ANZ's decision to close accounts of MRSPs was a global business decision based on their assessment of money laundering risks. However, further consideration may need to be given to Fiji's strong regulatory framework for anti-money laundering (AML) in which MRSPs operate in Fiji.

Mr Buksh added that ANZ and the FIU have been in discussions on this issue and there is a general willingness by ANZ to work with the regulators in Fiji on this matter.

Fiji has adequate laws and institutional measures in place to combat money laundering and terrorist financing. The Financial Transactions Reporting (FTR) Act is one of the important AML laws of Fiji. All MRSPs are covered by the FTR Act and have been complying with this law since 2006 when it first came into force.

Mr Buksh said that all MRSPs operating in Fiji are obligated by law to implement AML controls and measures including conducting customer due diligence on their customers; monitoring their customers' transactions; reporting suspicious and other types of transactions to the FIU; providing regular training to their staff on AML requirements and developments and appointing an AML compliance officer.

The MRSPs are supervised for compliance with the FTR Act by the Reserve Bank of Fiji and the FIU. The MRSPs are issued with an annual licence and prior to the renewal of their licence each year, they are assessed, through an onsite examination, for compliance with all regulatory requirements, including the FTR Act.

Furthermore, enforcement action may be taken on any financial institution including any money transfer company that fails to comply with the FTR Act. Sanctions are provided under the FTR Act to deal with any serious non-compliance by any remittance service provider.

The Reserve Bank of Fiji has recently revoked the licence of a money transfer company for serious breaches of the FTR Act. Furthermore, the director of this same company was charged and convicted by the Court in Fiji in 2012 for breaches of the FTR Act. These breaches were detected during an onsite examination by the Reserve Bank and the FIU.

Mr Buksh said that while ANZ Bank is free to make decisions on who they engage as their customers based on their assessment of money laundering risks, such a decision should be carefully considered and aligned with the regulatory and AML enforcement environment in place within the jurisdiction the ANZ Bank operate.

Mr Buksh said that the ANZ Bank had agreed to reconsider the possibility of re-engagement with MRSPs on a case-by-case basis, subjecting these customers to enhanced due diligence if assessed as high risk customers.

RESERVE BANK OF FIJI