



PRESS RELEASE

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REALB PARTNERS WITH FIU TO ADDRESS MONEY LAUNDERING

In an effort to create an environment of professionalism and integrity within the real estate industry in the country, the Real Estate Agents Licensing Board will be partnering with Fiji's Financial Intelligence Unit.

REALB entered into a Memorandum of Understanding with FIU today. The MOU will establish an effective framework to detect and investigate breaches under the relevant laws related to money laundering and terrorist financing offenses in Fiji.

Acting Chief Executive Officer, Ms Virisila Tuimanu says the need to partner with FIU arose as some real estate activities have been linked to money laundering activities. "Whilst the Real Estate Agents Licensing Board (REALB) is the regulatory agency for the real estate industry in Fiji, it is also necessary that REALB partners with important stakeholders such as the Financial Intelligence Unit (FIU) which is primarily responsible for anti-money laundering laws to ensure financial transaction transparency in the market."

The Real Estate Agents Licensing Board is a statutory agency responsible for the granting of real estate agents' licence, salespersons' and branch managers' approvals in Fiji. It also has the disciplinary powers to suspend and cancel licence if the current laws and regulations have been breached.

The Director FIU, Mr Razim Buksh said the MOU will assist the FIU to effectively coordinate compliance and regulate the real estate agents under the Financial Transactions Reporting Act (FTR Act). The real estate agents have similar responsibilities like the commercial banks and other non-bank financial institutions under the FTR Act to ensure that their services are not abused for conducting fraudulent and money laundering transactions.

A real estate transaction can be used to disguise the illegal origin of funds by introducing the proceeds into the financial system. Once illicit funds are invested in the real estate market, the proceeds are disguised as legitimate wealth in any subsequent property transactions.

Mr Buksh said that reporting of suspicious clients and their transactions to the FIU by all financial institutions including the real estate sector is a mandatory obligation under the FTR Act. Other key obligations include the identification of clients, establishing the source of funds that is involved in property transactions and reporting \$10,000 and above cash and bank cheque transactions to the FIU.

Mr Buksh said partnership with REALB is an important step and looks forward to working closely with REALB in the future.

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