

Barry Whiteside: Prosecuting money laundering crimes

Closing speech by Mr Barry Whiteside, Governor of the Reserve Bank of Fiji, at the 3rd National Anti-Money Laundering Conference on “Prosecuting money laundering crimes”, Suva, 9 November 2011.

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Introduction

Members of the National Anti-Money Laundering Council,

Members of the judiciary, invited speakers and conference delegates.

A good afternoon to you all.

We have come to the end of an intense day of discussions and I do not intend to keep you seated for too much longer! I trust that you have all enjoyed and benefited from the presentations and in-depth discussions at today’s conference.

This year’s conference theme on ***prosecuting money laundering crimes*** is a timely one.

Thank you to the panel of speakers for sharing with us your valuable knowledge and experiences on our theme.

Thank you also Madam Shameem for your concise summary of today’s conference discussions.

Yes. The sessions today highlighted a number of important issues relating to the conference theme which we all need to ponder over and, more importantly, act on when we return to our offices.

Challenges

It is quite clear that we face various challenges in prosecuting money laundering and in tracing and seizing criminal proceeds.

The speakers have outlined some of these challenges relating to:

- i. expertise and resource issues;
- ii. interpretation of the money laundering laws in Fiji; and
- iii. effective use of these money laundering laws by the relevant agencies.

I urge you all to find ways to overcome these challenges.

Conferences like ours today, provide a perfect opportunity to bring people together to discuss strategies for dealing with these challenges and for sharing knowledge and experiences. (This is our third such annual conference so I do hope we are taking the benefits forward! My plea is let’s not see this as a days paid leave away from the office!)

We also have the National AML Council and its law enforcement working group which can facilitate networking and information sharing across agencies.

Effective use of legal provisions

I would like to briefly touch on the issue of *effective use of our money laundering laws to prosecute money laundering crimes*. This is a key challenge facing our investigators and prosecutors.

The AG clearly pointed out to us this morning that if we cannot successfully prosecute these crimes, then we signal to the criminal elements that we are not ready and they will continue to move in on us.

Today's conference has highlighted that **we do** have the laws to prosecute money laundering activities.

We also have the laws to trace the proceeds of crime and confiscate these proceeds.

Madam Shameem, in her usual clear way, agreed we have the ammunition, but we fall short in key areas when it comes to the implementation.

The Turtle Island case clearly showed that when used effectively, our legal provisions are quite powerful and can send a strong message to the community that **money laundering is a crime**.

Let us make a concerted effort to use these legal provisions to prosecute money laundering crimes and to confiscate criminal proceeds.

I appreciate that this will not be easy due to many factors. One of these being the fact that, in addition to money laundering cases, the police and prosecutors have a whole raft of other types of criminal cases to deal with. But let us learn from our combined knowledge shared here today on how we can move forward.

Let us not forget that the ultimate aim of many of the crimes that we are faced with today, such as drug trafficking, corruption and fraud, is the desire by the perpetrators to profit from their crime. **Thus by tackling money laundering, you are tackling other crimes**.

I am sure that once we step up in our prosecution of money laundering cases, this will send a strong message to criminals that crime does not pay.

Financial institutions and the Reserve Bank

A key point that this conference has touched on is the role of financial institutions in prosecuting money laundering crimes.

Financial institutions have incurred huge costs and made many changes to their systems and processes in order to comply with the requirements of the Financial Transactions Reporting Act.

Many a time, financial institutions would question the need to have these comprehensive anti-money laundering measures required by the FTR Act. One such measure is the requirement for financial institutions to report suspicious transactions to the FIU.

The presentation on the Turtle Island case was very timely as it clearly showed how a suspicious transaction report from a financial institution can trigger an investigation and prosecution of a money laundering scheme.

This conference highlighted the important role that financial institutions have in prosecuting money laundering crimes.

Money laundering takes place through the financial system. Therefore financial institutions are best placed to quickly detect money laundering crimes as and when they are happening.

As the regulator of financial institutions in Fiji we at the Reserve Bank must also step up in our role towards ensuring compliance with the FTR Act. However, financial institutions must also play their part.

Conclusion

In closing, I urge you all to think about the issues that have been discussed today. Think about how we can further improve our efforts in combating money laundering.

Prosecuting money laundering is a key tool in combating money laundering and other crimes in Fiji. Let's come back to the 4th Annual Money Laundering Conference next year with more positive stories to share and not have to revisit where we have been falling down!

Our anti-money laundering laws and the efforts by financial institutions, the Police, FIU and other investigative agencies will be in vain if criminals are not being successfully prosecuted for money laundering. It will also be in vain if criminals are allowed to live off the profit of their illegal activities.

So let us return to our workplaces with clear and definite goals of how we can apply the lessons learnt from today's conference in our respective work areas.

Our collaborative efforts in investigating and prosecuting money laundering crimes will provide a strong message to criminals and their associates that ***"crime does not pay."***

Ladies and gentlemen, thank you for your patience and I now have the pleasure of formally closing the 2011 3rd National Anti-Money Laundering Conference.

Vinaka Vakalevu