

TI IPP STRONGG IN NEW ZEALAND

Mitigating Money Laundering Risks in the Pacific

Established in 1999, Transparency International New Zealand (TI New Zealand) is part of the Transparency International global coalition against corruption that brings together chapters operating in more than 100 countries worldwide with an international Secretariat based in Berlin, working towards a shared vision: a world free of corruption.

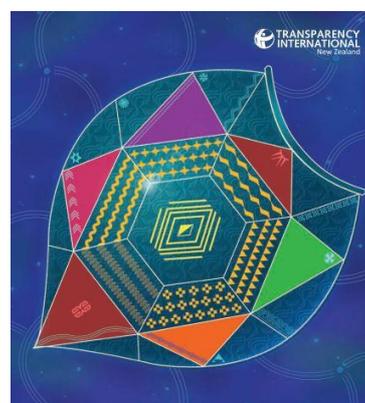
BACKGROUND

Across the Indo-Pacific region, countries are making little progress in tackling corruption, as confirmed by Transparency International's 2023 Corruption Perception Index (CPI). Whilst the amount and nature of illicit flows of funds generated through corruption and criminal practice, and the nature of corrupt practices have been studied separately, there is limited research in the Pacific context of the ways in which the two facilitate and reinforce each other. TI New Zealand addressed this knowledge gap by commissioning expert research and using the findings to collectively advocate for stronger

integrity systems and legal frameworks against the laundering of the proceeds of corruption.

PROJECT APPROACH

With support from the *TI Indo-Pacific Partnership for Strong, Transparent, Responsive & Open Networks for Good Governance (TI IPP STRONGG) 2020 - 2023*, TI New Zealand worked towards reducing corruption risks in the Pacific region by conducting research, monitoring, and advocacy on money laundering and illicit financial flows coming in and out of Pacific countries. As part of its research under the project *Anti-Money Laundering across Pacific Nations*, TI New Zealand identified corruption and money laundering risks, studied the impact of corrupt practices associated with illicit financial flows on the lives of citizens living in Pacific forum countries, and advocated for stronger anti-corruption frameworks. The project was implemented over a period of 3 years, from December 2020 to December 2023.



CORRUPTION AND MONEY LAUNDERING IN THE PACIFIC: INTERTWINED CHALLENGES AND INTERLINKED RESPONSES
Dr. Chau Nguyen and Professor W. J. Kim Ingleton

The Corruption and Money Laundering in the Pacific Report

TI NEW ZEALAND ACHIEVEMENTS

Exposing the risk of money laundering in the Pacific

In April 2022, TI New Zealand launched its [report](#) on corruption and money laundering in the Pacific. The research analyses anti-money laundering measures relevant to anti-corruption and their implementation in seven selected Pacific Island Countries. Despite having sound anti-money laundering frameworks, the report highlights ongoing issues due to limited willingness and resources to combat corruption, calling for better due diligence by financial institutions, strengthened legal frameworks, enhanced staffing and resources for Financial Intelligence Units, increased collaboration within financial systems, and improved cross-border cooperation.

In 2022-23 TI NZ extended its work of exposing the risk of money laundering in the Pacific by producing seven country [summaries](#), drawn from the main report. This was a way of providing clear messages pertinent to each country. The summaries and the main report were presented at a range of Pacific fora, as well as being promoted in New Zealand

specifically to agencies that have cross Pacific engagement and responsibility.

Of particular note were GOPAC Oceania (Global Organisation of Parliamentarians against Corruption), the Pacific Financial Intelligence Community (PFIC) and PILON (Pacific Island Law Officers Network). There has been very good engagement between these organisations, and with the NZ Police Financial Intelligence and Financial Crime Units. Three agencies have advised TINZ that the report has informed their workplan or collaborative activities. PFIC and the NZ Police are keen to work with TINZ in future.



TI New Zealand expert Adam Hunt at the PILON Meeting © TI New Zealand



TI New Zealand country summaries on money laundering and corruption risks in different Pacific nations © TI New Zealand

Increased local demand for accountability

Knowledge Exchange National Budgeting

On 15 June 2023 TI NZ and Integrity Fiji collaborated on a knowledge exchange focusing on national budget awareness. This was identified as an area where Integrity Fiji personnel needed training and where TI NZ had available expertise, in the form of NZ Open Budget Reviewer, Economist and TI NZ Expert Derek Gill. The session considered the budget cycle, the different elements of national budgets and there were hands on sessions looking at the Fiji national budget and also looking at citizens budgets.



Integrity Fiji youth shooting social accountability videos, made possible by the support of TI New Zealand © CLT Integrity Fiji

TI Vanuatu joined in the knowledge exchange session, as did the Ministry of Finance in Fiji.

Participants reported increased knowledge, confidence and intent to take action around national budgets consultation and critique are keen on further opportunities for collaboration.

Social accountability through creativity

A third area of work was with Integrity Fiji and its youth group, Youths for Integrity. Transparency International New Zealand supported Integrity Fiji in the production of three videos by Youths for Integrity on the topic of Pacific youth anti-corruption.

The videos are available at these links:

[YouTube Video 1: Work with Integrity: Join the Movement Against Corruption](#)

[YouTube Video 2: Amplifying Pacific Youth Voices Against Corruption](#)

[YouTube Video 3: Navigating the storm of climate change with Integrity NOT Indifference](#)

The videos will be used to:

- Recognise that the voices of young people deserve to be seen and heard

- Bring attention of the general public and Pacific public leaders to the leadership role of young people in the fight against corruption
- Influence other young people across the region to support the efforts of TI chapters
- Bring attention to the collaborative efforts of young people across the Pacific
- Raise the brand of Youths for Integrity, Transparency International, Transparency International New Zealand, Integrity Fiji and other TI chapters involved in the video.

TI NZ also provided support in the development of Youth-Anti Corruption narratives, to inform social media and articles.



Pacific activists from Fiji, PNG & Vanuatu © TI New Zealand

Stronger anti-corruption partnerships in the Pacific

The IPP STRONGG funding, framework and priority outcome areas enabled stronger partnerships with regulatory agencies across the Pacific, between chapters, and with cross Pacific professional collaborations. It also provided an opportunity for collaboration with NGOs in the Pacific, in New Zealand and globally.

This was a good start, but there is more that can be done through further promotion of the good evidence produced by TI chapters and by TI globally, and of the good work being done in each country to enhance integrity and transparency.

More information about the work of Transparency International New Zealand can be found here:

TI New Zealand's website:

<https://www.transparency.org.nz/topic/pacific>

Facebook pages:

International NZ

<https://www.facebook.com/TINZ.org/>

South Pacific Outreach

<https://www.facebook.com/SouthPacificOutreach/>

Bridging Budget Awareness: Transparency International New Zealand's Cross-Border Impact

Transparency International New Zealand facilitated a national budget awareness session for the TI chapter in Fiji. Participants gained insights into the details of government budgets in Fiji and Vanuatu, spanning macro, meso, and micro elements of budgeting. Participants practised their skills on real budget documents enabling them to provide better analysis and comments on national budget processes. Citizens budgets were also part of the learning experience.

The session fostered enhanced understanding, equipping participants to engage in national budget processes effectively. With 85% of participants expressing a desire for more information and 64% seeking opportunities for collaboration, there is a clear mandate for continued efforts in promoting budget awareness.



*TI New Zealand participated in the Pacific Financial Intelligence Community Meeting in Port Moresby, PNG
© TI New Zealand*