



PACIFIC ISLANDS FORUM



**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE UNITED STATES DEPARTMENT OF THE TREASURY  
AND  
THE PACIFIC ISLANDS FORUM SECRETARIAT**

**1. Introduction**

1.1. The United States Department of the Treasury (the "Treasury") is the U.S. Executive Branch department responsible for promoting economic prosperity and ensuring the financial security of the United States, including advising the President of the United States on economic and financial issues, encouraging sustainable economic growth, protecting U.S. national security, fostering improved governance in financial institutions, and protecting the U.S. financial system.

1.2. The Pacific Islands Forum ("PIF") is an organization established by treaty under the *Agreement Establishing the Pacific Islands Forum Secretariat* at Port Moresby, Papua New Guinea on 27 October 2005, and implemented in Fiji by the *Diplomatic Privileges and Immunities Act 1971*, acting through its secretariat with its headquarters at Ratu Sukuna Road, Suva, Fiji; (hereinafter referred to as "PIFS"). The PIFS is a political and economic policy organization in the Pacific region. The PIF's vision as articulated in its 2050 Strategy for the Blue Pacific Continent is for a region of peace, harmony, security, social inclusion and prosperity, so that all Pacific people can lead free, healthy, and productive lives. The PIFS works to achieve this by fostering cooperation between governments, collaborating with international agencies, and representing the interests of its members.

1.3. The Treasury and the PIFS (each, an "Authority," and, collectively, the "Authorities") recognize de-risking of corresponding banking relationships ("CBRs") in the Pacific is of mutual concern and that cooperation on this matter would be beneficial to the PIF membership and would advance Treasury policy objectives.

1.4. This Memorandum of Understanding ("MOU") is intended to facilitate the Authorities' cooperation with each other in this regard. Any information exchanged by and between Treasury and the PIFS under this MOU is to be provided and received on a voluntary basis, in accordance with, and subject to, the domestic laws and regulations governing each Authority, including any requirement to disclose such information by order of a court or other public body that has jurisdiction over the receiving side.

1.5. The implementation of this MOU is to be led by the Treasury's Deputy Assistant Secretary ("Treasury's DAS"), Terrorist Financing and Financial Crimes, Office of Global Affairs, Asia and Middle East, and any official designated by Treasury's DAS and the Secretariat's Director Programmes & Initiatives, Pacific Islands Forum Secretariat, Private Mailbag, Suva, Fiji or any other official designated by the PIFS Office of the Secretary General.

1.6. This MOU constitutes a non-binding arrangement by which each of the Authorities intends to abide in good faith. None of the terms and conditions contained herein constitutes, or is intended to constitute, a

legally binding agreement upon either of the Authorities. This MOU is neither an international agreement nor a formal international legal instrument and does not give rise to any rights or obligations under international law.

## **2. Scope of MOU**

2.1 “The Decline of Correspondent Banking in Pacific Island Countries: A Roadmap to Implementing the Recommendations from the Pacific Islands Forum Diagnostic 2023 Report,” (“Roadmap”) is to serve as a guide for Treasury support of PIF under the MOU. The Authorities aim to work jointly to address recommendations described in the Roadmap, specifically, recommendations 5 and 8, particularly as they relate to engaging U.S. banks and regulators.

2.2 Treasury intends to provide subject matter expertise in the areas of de-risking of CBRs and Anti-Money Laundering/Countering the Financing of Terrorism (“AML/CFT”). Subject matter experts based in Washington, DC may be made available to travel to the PIFS Headquarters in Suva, Fiji and other locations in the Pacific Islands as may be reasonably necessary to fulfill the objectives of this MOU.

2.3 Treasury’s assistance may include the following activities:

- advise on the Pacific Island jurisdictions to prioritize for engagement to address de-risking challenges;
- facilitate discussions between PIF members and U.S. correspondent banks and U.S. AML/CFT regulatory authorities, primarily under the auspices of the Pacific Banking Forum, recognizing that such discussions will be conducted on the same terms available to similarly situated financial institutions;
- advise on developing a resilience strategy to determine the number and quality of CBRs to enhance each country’s resilience against de-risking, and to determine strategies to meet and sustain these resilience benchmarks;
- advise on steps PIF members can take to mitigate AML/CFT vulnerabilities within their jurisdictions; and
- consult and coordinate with AML/CFT technical assistance providers to support action by Pacific Island jurisdictions to meet AML/CFT standards.

2.4 Treasury does not make any representations under this MOU regarding the specific private sector parties or government entities it may consult and with which it may facilitate discussions.

## **3 Consultation and Modification**

3.1 An Authority may propose modifications to this MOU by submitting such proposed modifications, in writing, to the non-proposing Authority. Any modification proposed may only form part of this MOU and become operational after such modification has been deemed mutually acceptable in writing by officials at Treasury and the PIFS who are authorized to make such modifications.

## **4 Commencement and Discontinuance**

4.1 This MOU, including all terms, becomes operational on the date on which both Authorities have signed this MOU.

4.2 Either Authority may discontinue its participation in this MOU, but each Authority should endeavor to provide 30 days' advance notice, in writing, of its intent to discontinue this MOU.

## 5 Counterparts

5.1 The Parties may finalize this MOU in multiple counterparts, each of which constitutes an original and all of which collectively, constitute only one (1) instrument. The signatures of the Parties need not appear on the same counterpart and delivery of an executed counterpart signature page by facsimile or email is as effective as executing and delivering this MOU in the presence of the other signatory to this MOU. If this MOU may be finalized in multiple counterparts, this MOU may become operational upon each side receiving delivery of the executed counterpart from the other side.

**U.S. DEPARTMENT OF THE TREASURY:**



Anna Morris  
Assistant Secretary (Acting)  
Terrorist Financing and Financial Crimes  
U.S. Department of the Treasury

**PACIFIC ISLANDS FORUM SECRETARIAT:**



Henry Puna  
Secretary General  
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