



**MINISTRY OF FINANCE AND THE PUBLIC SERVICE
PRESS RELEASE**

FOR IMMEDIATE RELEASE

**STATEMENT ON EXPENSES RELATING TO THE SSL INVESTIGATION AND
RELATED COSTS INCURRED BY THE FINANCIAL INVESTIGATION DIVISION
AND THE FINANCIAL SERVICES COMMISSION**

Kingston, Jamaica: Thursday, September 7, 2023

Financial Investigation Division

The Financial Investigations Division (“FID”), is using the proceeds of assets confiscated under Jamaica’s proceeds of crime legislation to fund the extraordinary expenses it incurs in the SSL fraud investigation. These funds do not constitute tax revenue. These funds arise from the FID’s work in identifying, restraining, forfeiting and monetising the proceeds of crime. That is, these funds arise from the confiscation of ill-gotten gains.

Arising from its review of budgetary documents, a newspaper article yesterday posed the question as to whether the GOJ had set aside \$300m to fund the investigation into the SSL fraud.

The \$300m in question refers to financial resources arising from confiscation of ill-gotten gains under Jamaica’s proceeds of crime legislation and held in an interest bearing account under the control of Jamaica’s asset recovery agency, the Financial Investigation Division (“FID”). This amount has been earmarked to (i) fund the expansion of the building occupied by the FID as well as (ii) to fund the extraordinary expenses incurred by the FID in the SSL fraud investigation.

It is vitally important for Jamaica that the perpetrators, conspirators and co-conspirators in alleged fraudulent schemes at SSL are brought before the Jamaican courts. This time must be different. Due to the complexity of the matter, however, achieving a successful investigation requires the deployment of specialised resources.

Much of the \$300m in resources, however, are earmarked for capital works at FID’s building complex as the FID doubles in size from an establishment of 90+ staff positions to a staff complement of over 193 positions. Jamaica is investing in improving its investigative and confiscatory capacity, with respect to financial crimes, as Jamaica strengthens its Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) standing.

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Financial Services Commission

The Financial Services Commission (“FSC”), as a regulator of the non-bank financial sector, appointed a Temporary Manager of Stocks and Securities in January 2023. This was necessary to, among other things, safeguard the Jamaican financial system.

In the interest of clarity, expenses incurred by FSC in regard to SSL are being financed by the FSC from its own resources, inclusive of \$1.8 billion in reserves on its balance sheet. The FSC is not the beneficiary of tax revenues and does not receive resources from the Consolidated Fund.

The Temporary Manager has retained a staff complement of 22 at SSL down from 33 when the Temporary Manager was appointed.

The SSL staff retained assist investigators with their numerous questions and enquiries inclusive of the accessing of records. This facilitates the investigation and increases the chances of bringing perpetrators, conspirators, and co-conspirators before the courts.

SSL still has custody of approximately \$30 billion in client funds across 8,000 client accounts. This has been necessary to facilitate the investigation. Retention of some of SSL’s staff complement, along with the maintenance of custody of client funds for the time being, have, for example, allowed investigators to eventually determine that the scope of fraudulent activities has affected 70 accounts, up from the 40 first suspected, an increase of 75%.

However, these 8,000 client accounts require staff to respond to voluminous client queries, to maintain client records, to update Know Your Customer (KYC) documentation for client accounts, and, importantly, make preparations for the eventual transfer of client assets to other brokers designated by clients.

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