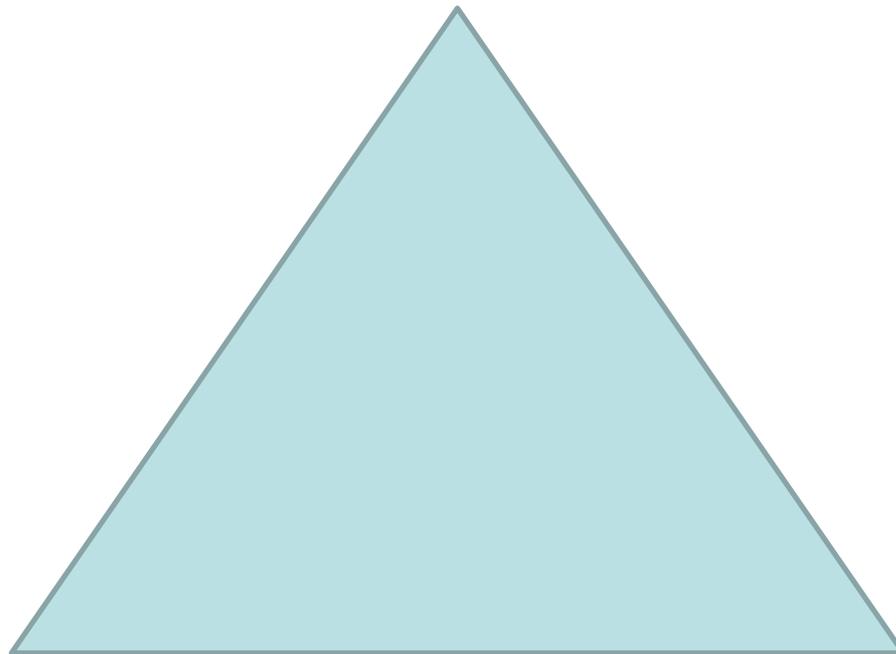


Covid-19 Fraud

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Overview

Covid-19 Fraud



Pressure

Opportunity

Covid-19 Fraud

- Elements of fraud:
 - i. A material (important) false statement.
 - ii. Knowledge that the statement was false when it was spoken.
 - iii. Reliance on the false statement by the victim.
 - iv. Damages resulting from the victim's reliance on the false statement.

Covid-19 Fraud: An example

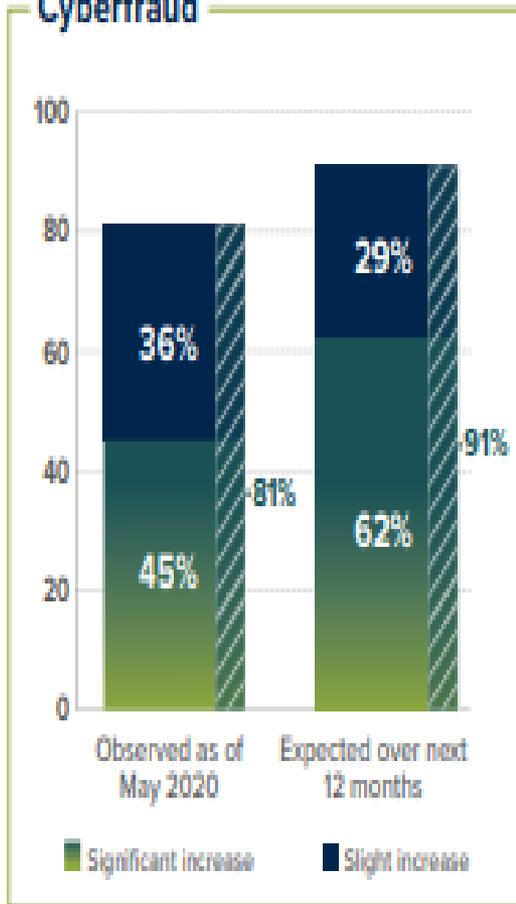
- **Police looking into a case where some men are posing as businessmen and issuing dishonoured cheques for supply of goods**
- A trade was organized via **Viber** for the purchase of tyres to be delivered to Navua.
- The first report received involved the exchange of more than \$16,000.
- <https://www.fijivillage.com/news/>
- [Dhanjay Deo](#), Sunday 13/09/2020

Covid-19 Fraud: An example

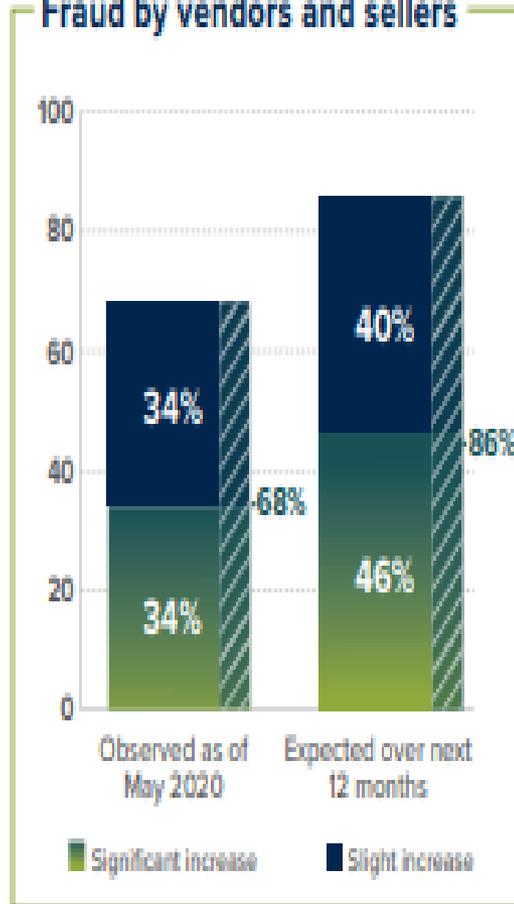
- Fijians in Fiji lost money through **credit card fraud** in the Netherlands
- Money syphoned during December 2019 Covid-19 pandemic
- Local Fijian well-known bank was involved

Changes in specific fraud risk (ref: ACFE)

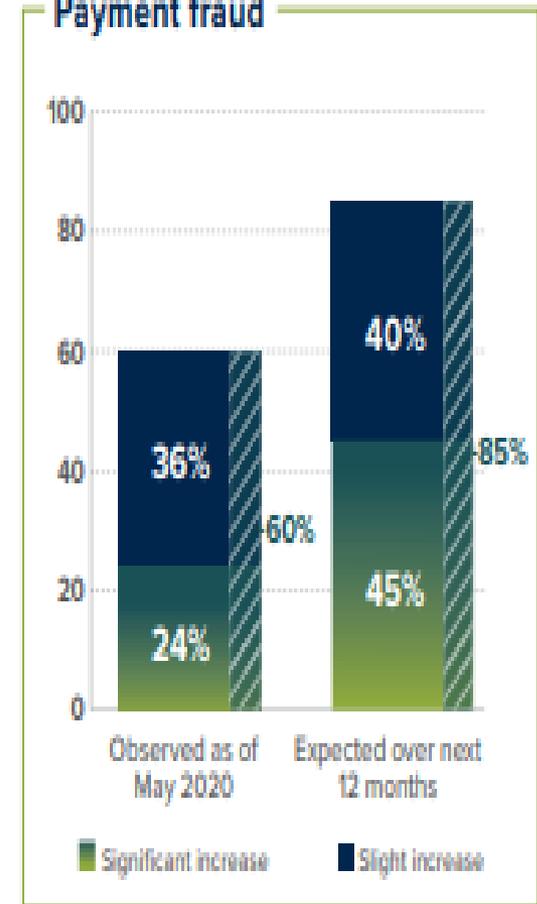
Cyberfraud



Fraud by vendors and sellers



Payment fraud



Opportunity: Covid-19 Fraud

- Criminals will exploit every opportunity they can to defraud innocent people of their money, or steal their personal details
- Fraudsters are basically targeting older and vulnerable people
- (<https://www.actionfraud.police.uk>)

Opportunity: Covid-19 Fraud

- Using the coronavirus pandemic as an opportunity, fraudsters are using sophisticated methods to callously exploit people, with many concerned about their financial situation and the state of the economy.
- Some Covid-19 and lockdown scams which criminals are using to target people to get them to part with their money.

Phishing

- The fraudulent practice of sending emails purporting to be from reputable companies in order to induce individuals to reveal personal information, such as passwords and credit card numbers.

Opportunity: Business

- **Typical claims are:**

"We have a team of fully qualified professionals."

"We have achieved big reductions for several clients."

"We can get huge reductions on your rates."

"You will have nothing to pay unless we succeed."

Phishing

- **Example:**
- Tax message from Fiji Revenue & Customs Service (FRCS)
- We are offering refunds to Fijian people as part of the government's response to the Covid-19 pandemic

Phishing

- **The message:**
- ‘FRCS: You are eligible for a Tax Refund as a result of the COVID-19 pandemic. Please fill out the following form so that we can process your refund.’

Phishing

- **Details in the form:**
 - ❖ Your name
 - ❖ Residential address
 - ❖ Employer
 - ❖ Bank details

Phishing

- **Similar fraud can happen in:**
- Energy Fiji Limited
- Water Authority of Fiji
- Vodafone
- Digicel

Exploitation

- Given work for low wages (abuse)
- You are desperate for money

➤ Or

- Shady ‘tradesman’
- ‘Jack of all trades, Master of none’

Ponzi Schemes

- Ponzi schemes are based on fraudulent investment management services basically, investors contribute money to the "portfolio manager" who promises them a high return, and then when those investors want their money back, they are paid out with the incoming funds contributed by later investors.

Pyramid scheme

- A pyramid scheme, on the other hand, is structured so that the initial schemer must recruit other investors who will continue to recruit other investors, and those investors will then continue to recruit additional investors, and so on.

Ponzi Scheme

- Example:
- “I can receive \$50 a day”
- “Ask me how?”

Ponzi Scheme

- A Fijian used M-PAiSA to pay for contributions into a Ponzi Scheme.

On-line shopping

- The majority of reports are related to online shopping scams, where people have ordered protective face masks, hand sanitiser, and other products that have never arrived.
- In a lot of cases, if they have arrived, they have been sub-standard.

Opportunity: Covid-19 Fraud

- Other frauds being reported include:
 - ticket fraud,
 - romance fraud,
 - advance fee fraud and
 - rental fraud.
- Examples of these scams include criminals posting fake adverts of animals (cows) for sale and getting victims to pay a deposit for the animal, that in fact, does not exist.

Nigerian scams

- involve someone overseas offering you a share in a large sum of money or a payment on the condition you help them to transfer money out of their country.
- While these scams originated in Nigeria, they now come from all over the world.

Covid-19 quarantine

- **Travel Advisory: COVID-19**
- 5. All travelers arriving into Fiji must undertake a mandatory 14 days quarantine in a government designated border quarantine facility.
- A COVID-19 test will be again conducted at the quarantine facility.
- <http://www.immigration.gov.fj/>

Covid-19 quarantine

Not free for all Fijians

ANISH CHAND

10 March, 2021, 4:45 pm

- Government has removed the blanket cost-free COVID-19 quarantine arrangement for all returning Fijians.
- A legal notice gazetted on March 5 says Fijians seeking medical treatment overseas before March 28, 2020 on their own accord would be required to pay quarantine charges.

Courier fraud

- **People under quarantine:**
- As more people self-isolate, #COVID19, fraudsters will carry out courier fraud by cold calling the victim, purporting to be a police officer, bank officer or CDP personnel to gain their trust and courier their belongings during self-isolation.
- The ultimate aim of this call is to trick them into handing over luggage, money or their bank details.

FNPF & Government Welfare Scheme

- We are continuing to see examples of emails and texts sent by fraudsters purporting to be from the FNPF and Social Welfare.
- The FNPF and Social Welfare will never text or email asking for your personal information or bank details.

Superannuation funds (FNPF)

❑ Collusion:

- Between employer and employee
- Redundant letter written by employer
- Company in operation writing redundant letters for previous employees of a company which has ceased operations

How to protect yourself or your business?

- **Do your research when shopping online**
- If you're making a purchase from a company or person you don't know and trust, carry out some research first and ask a friend or family member for advice before completing the purchase.
- Remember to look at reviews for the site or seller to see if other people have experienced any issues.
- If you decide to go ahead with the purchase, use a credit card if you have one, as most major credit card providers insure online purchases.

How to protect yourself or your business?

- **Protect your devices from the latest threats**
- Always install the latest software and app updates to protect your devices from the latest threats.

How to protect yourself or your business?

- Technology is helping us keep connected during coronavirus, but it is sometimes exploited by criminals.

How to protect yourself or your business?

- **Always remember:**
- **Professional Skepticism:** be suspicious of any “too good to be true” offers or prices – if it’s at a rock bottom price ask yourself why.
- Use the secure payment options recommended by online travel providers and don’t accept requests to pay separately via a bank transfer.
- Access the website you’re purchasing from by typing it in to the web browser and avoid clicking on links in unsolicited emails.

How to protect yourself or your business?

- **Rugby and Soccer**
- Please be reminded to take extra care when buying tickets online.
- Only buy tickets from the venue's box office, official promoter or agent, or a well-known and reputable ticket site.
- Avoid paying for tickets by bank transfer, especially if buying from someone unknown.
- Be wary of unsolicited emails, texts or adverts offering unbelievably good deals on tickets. If it sounds too good to be true, it probably is

How to protect yourself or your business?

- Despite retail and non-essential shops available locally, many of us continue to shop online.
- remain vigilant and take extra care online, after people fell victim to online shopping and auction fraud during lockdown.

How to protect yourself or your business?

- **Sky Pacific**
- With millions of football fans expected to log into subscriptions to stream behind-closed-door games, advice has been issued on how to secure accounts
- Note: online hackers could break into football fans' accounts to carry out 'phishing' scams

How to protect yourself or your business?

- Do you know the caller?
- Never assume a phone call is authentic just because someone knows your basic details such as NAME, WORKPLACE, ADDRESS, etc.
- Suggested wording: Just because someone knows a few basic details about you, it doesn't mean they are genuine.
- Fraudsters regularly use personal information to build trust and believability.

How to protect yourself or your business?

- The police will never ask you to hand-over money for safe-keeping
- The police will never send someone to your home to collect money or ask you to transfer funds out of your account.

Companies

- companies to nurture an ethical culture
- supported by robust governance processes
- to help minimise fraud losses and associated reputational damage?

Individual

- be aware of the very simple steps you can take to protect yourself from handing over your money, or personal details, to criminals.

Covid-19 fraud

- Fraud is an incredibly under-reported crime.
- The more you, your company or police know about fraud, and fraud attempts, the better chance they have of tracking down those responsible and bringing them to justice.

Covid-19 fraud

- Do not click on the links or attachments in suspicious emails, and never respond to messages that ask for your personal or financial details, including requests to send images that prove your identity.

Covid-19 fraud

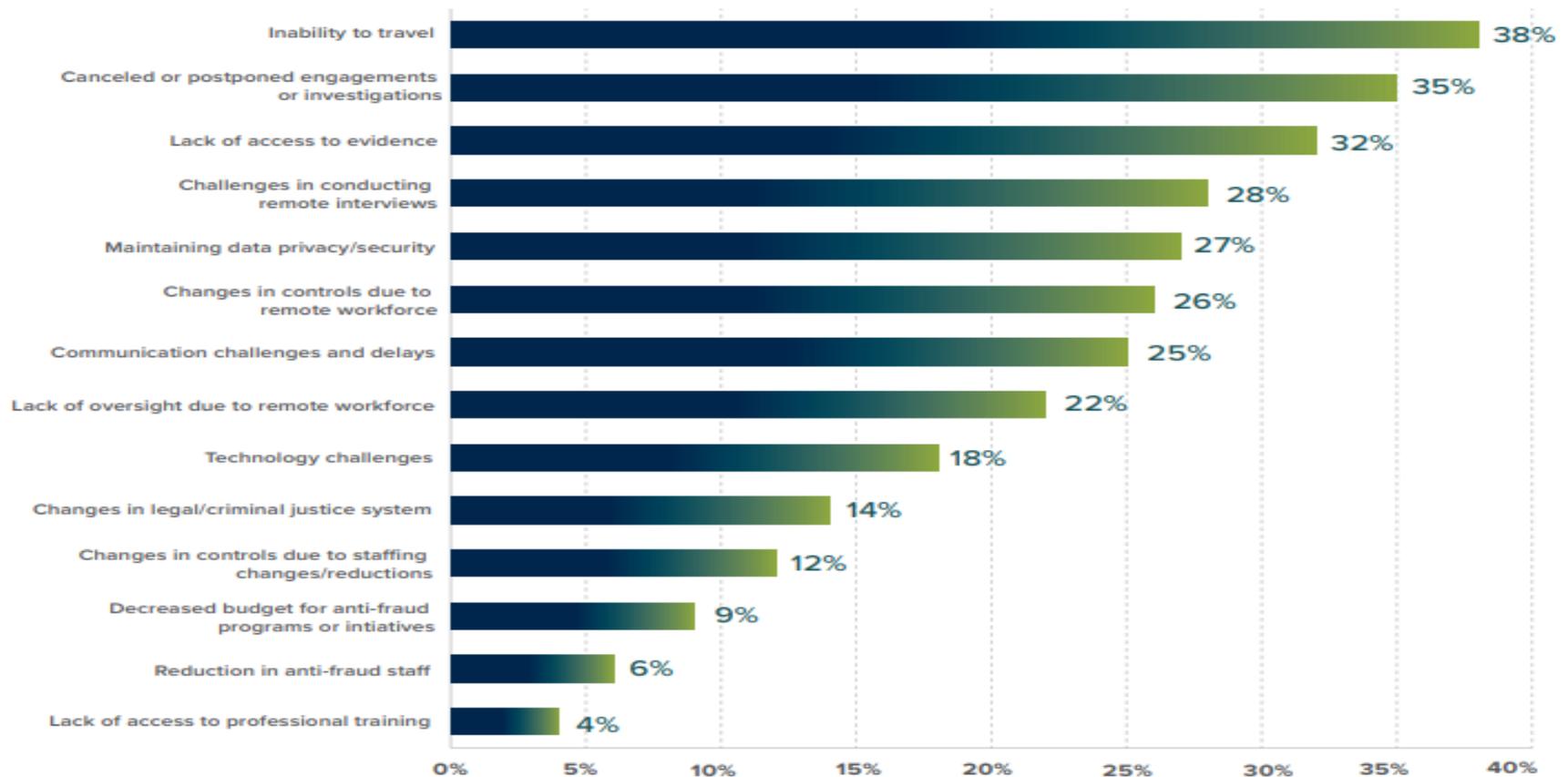
- Cyber criminals continue to prey on people's fears

Activity

- Fraud along the supply chain (supplier, manufacturer, distributor, wholesaler, retailer, customer)
- **Activity 1**
- Payment fraud (Cash receipt & Cash disbursement)
- **Activity 2**
- Employee Embezzlement
- **Activity 3**
- Financial Statement Fraud (FRCS)

Challenges in combating Covid-19 fraud (ref: ACFE)

FIG. 6 Most prominent challenges in combating fraud in the wake of COVID-19



Summary

- Covid-19 Fraud is hidden.
- Continue searching for it.



Covid-19 Fraud

