

MEDIA RELEASE

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FINANCIAL INTELLIGENCE CENTRE CALLS FOR INCREASED COLLABORATION IN FIGHT AGAINST FINANCIAL CRIME

20 July 2023: Collaboration between the public and private sector in the fight against financial crime is yielding positive results and the Financial Intelligence Centre (FIC) is encouraging the establishment of more strategic partnerships.

So said Advocate Xolisile Khanyile, Director of the FIC, in delivering a keynote address today at a financial crime conference hosted by the Institute of Commercial Forensic Practitioners (ICFP) in Johannesburg. The conference brought together forensic practitioners and a range of other professionals and stakeholders involved in tackling economic crime.

The Director called upon the forensic industry to strengthen efforts against financial crime by creating bridges between law enforcement, financial institutions, and regulators. She asserted that the industry also had a role in providing training and skills development to professionals in finance, law enforcement, and regulation, to produce forensic products.

Adv Khanyile highlighted the work of the FIC-led South African Anti-Money Laundering Integrated Task Force ([SAMLIT](#)), as an example of an effective public-private partnership. [Launched](#) in December 2019, SAMLIT brings together the banking sector and government regulatory authorities in improving collaboration and expediting information exchange in the fight against financial crime.

“When you talk about fighting complex money laundering, terrorist financing and serious corruption, the traditional way of only obtaining statements from victims and bank statements from financial institutions is no longer effective, you need investigations that are intelligence led and benefits from actionable operational intelligence from financial intelligence units,” said Adv Khanyile.

“The SAMLIT partnership is a means to encourage enhancing the quality of suspicious reports filed by financial institutions, and when more institutions have focused on one matter, the FIC benefits from a comprehensive and detailed report that reflects more pieces of the puzzle. The quality of information the FIC receives from banks and other reporting and accountable institutions is important. Sending regulatory reports to the FIC must not be seen as a tick box exercise. We expect the institutions to send quality reports and we expect reports that will assist the FIC in its analysis.”

Adv Khanyile called on law enforcement agencies to use the intelligence reports produced by the FIC and convert them into actionable evidence to support investigations, prosecution, and asset recovery. In addition to producing intelligence reports, the FIC, with the creation of the forensic capability division, is now in a position to provide expert testimony in court proceedings involving highly complex money laundering cases.

“When the Financial Action Task Force assesses South Africa, we must be able to demonstrate that the entire value chain of our country’s anti-money laundering and combating of terrorist financing regime is effective and there is collaboration between the private and the public sector.”

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Issued by:

The Financial Intelligence Centre

For more information, please contact media@fic.gov.za or visit www.fic.gov.za.

Note to editors:

As South Africa’s national centre for the gathering and analysis of financial data, the role of the Financial Intelligence Centre (FIC) is to safeguard the integrity of the country’s financial system and its institutions. In pursuit of this, the Financial Intelligence Centre Act, 2001 (Act 38 of 2001), mandates the FIC to assist in the identification of the proceeds of crime, in combating money laundering and in the financing of terrorism, and facilitate effective supervision and enforcement of the Act.

Under this legislation, financial and non-financial institutions are required to fulfil certain compliance obligations, including registering with, and filing various regulatory reports to the FIC. The information provided in these reports forms the basis upon which analysis is conducted to develop financial intelligence reports for use by a wide range of law enforcement agencies, investigative authorities, and other institutions to facilitate the administration and enforcement of the laws of the Republic. The FIC Act also sets out the enforcement and penalty regime for non-compliance with the FIC Act.

The 2021/22 financial year saw initiatives which had been implemented in prior years take further root and yield results through collaboration and partnerships. Among these was the work of the Fusion Centre, a collaboration of law enforcement agencies and the FIC, and that of the public private partnership, the South African Anti-Money Laundering Integrated Task Force. Both initiatives bring together necessary resources and focus attention on dealing with money laundering and terrorist financing.

The financial year also saw the adoption of the Financial Action Task Force mutual evaluation report in October 2021, following their assessment of the country’s capability and capacity for combating money laundering, terrorist financing and proliferation financing. Work to address the identified deficiencies got under way in the 2021/22 financial year.

ITEM	2021/22
Total institutions registered	45 555
Regulatory reports received	>5.12 million
Cash threshold reports received	>4.5 million
Suspicious and unusual transaction reports received	533 277
Inspection reports issued by FIC and supervisory bodies	404 FIC and 739 supervisory bodies
Value of sanctions imposed	>R41 million

Financial intelligence reports disseminated	3 114
Responses to requests for financial intelligence	2 300
Proactive financial intelligence reports disseminated	782 of which 131 related to high priority matters
Financial intelligence reports on illicit financial flows	32
Value of suspected criminal proceeds frozen	R204 million
Proceeds preserved and recovered through Fusion Centre over two years since the inception of the Fusion Centre	>R1.75 billion
Value of proceeds of crime recovered, in which the FIC's financial intelligence was used	>R5.1 billion
Collaboration between SAMLIT and the Fusion Centre over the last two years led to the preservation and directives to freeze accounts to this amount	R86 million