We are extremely excited about this new channel for communicating with you, our stakeholders.

We are launching our newsletter at an exciting and busy time in the life of the Financial Intelligence Centre.

For the immediate future, our sights are trained on guiding our authorities and business partners alike in preparation for the upcoming mutual evaluation of the country’s measures to combat money laundering and terrorist financing.

The mutual evaluation is part of the regular peer review processes of the Eastern and Southern Africa Anti-Money Laundering Group and the Financial Action Task Force, of which South Africa is a member. The assessment will be conducted by a team led by the FATF, ESAAMLG and the International Monetary Fund.

They will scrutinise the country’s legislative framework against money laundering and terrorist financing, and test the effectiveness of our measures against these scourges. Most importantly, the evaluation team will be testing whether the framework yields results that reduce the risk of our financial system being exploited for laundering criminal proceeds and to finance terrorist atrocities.

They will start with a desktop review and follow this up with face-to-face interviews with samplings of government and the private sector. Their intent will be to ascertain role players’ understanding, practical application and implementation of AML/CFT.

This is a litmus test for all role players who know, should know and fully implement the country’s the framework against money laundering and terrorist financing. South Africa underwent its first mutual evaluation by FATF in 2003, when the country joined the international standard-setting body. This was followed by another mutual evaluation in 2009.

While the country's framework against money laundering and terrorist financing was found to be generally robust and in line with the international standards at the time, the evaluation also pointed out areas where our measures were lacking and needed to be updated. The FIC Act has since undergone two sets of amendments with the latest being in 2017.

The latest amendments ushered in a new approach to the combating of money laundering and terrorist financing, which places the mitigation of risk at the centre of our efforts. This takes South Africa forward in the global fight to combat money laundering and the financing of terrorism.

It also provides the platform for the country to implement the targeted financial sanctions that the United Nations Security Council imposes when it identifies threats to international peace and security. In light of this, FIC has recently launched a system for publishing a TFS list on its website. This should improve our ability to respond to international efforts to resolve these threats, in particular when they concern the proliferation of weapons of mass destruction.

The FIC’s small but responsive staff complement have been hard at work continuously reviewing and improving systems, processes and methodologies. This has enabled us to set up a customer contact centre, which feeds into content for the regular road shows and face-to-face engagements that we have regularly with accountable and reporting institutions.

Furthermore, we are driving the signing of memoranda of understanding with our competent authority partners and others, to ensure that the FIC can share its expertise and at the same time learn from its partners, while assisting with the fight against crime.

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