



PARTNERSHIPS BOLSTER FIGHT AGAINST CRIME

An integrated approach to the gathering and sharing of intelligence has been identified as a key element in South Africa's efforts to effectively tackle money laundering and other financial crimes.

Two initiatives, based on public-public and on public-private partnerships, geared towards forging beneficial relationships between multi-disciplinary role players and further the optimal use of financial intelligence have been established over the last year with the aim of safeguarding South Africa's financial system.

The initiatives, the South African Anti-Money Laundering Integrated Task Force (SAMLIT) and the Fusion Centre, are based on the timeous sharing of financial and other information to expedite the prevention, detection, investigation and resolution of criminal matters. Central to both initiatives is the effective use of financial intelligence provided by the FIC.

CULTIVATING COLLABORATION

The Fusion Centre was conceptualised to develop a co-ordinated approach to address money laundering. At its core, a fusion hub has brought together investigators and prosecutorial authorities to work together. Each partner still operates within their own mandate and brings to hub their expertise and experience.

The timing of the implementation of the hub has its role players ideally placed to probe crimes which have arisen in South Africa, in regard to the coronavirus (COVID-19) pandemic.

The objective of the Fusion Centre is to cultivate collaboration among public bodies in the criminal justice cluster and to bring greater efficiency in investigations on corruption, fraud, abuse of power, or maladministration. The multi-disciplinary initiative brings together South African law enforcement and the intelligence community, including the National Prosecuting Authority, the Special Investigating Unit, South African Revenue Service, and Directorate of Priority Crimes Investigation.

The Fusion Centre co-ordinates the workflow among multi-disciplinary role players who each

bring their own policies and legislative frameworks to the gathering, analysis and sharing of information and intelligence.

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The FIC plays a pivotal role in the Fusion Centre. It shares the financial intelligence it develops with law enforcement and investigative agency members of the Fusion Centre. In turn, these partners use this intelligence in their investigations and applications for forfeiture of assets.

The FIC monitors the process and reports on the progress of financial crime matters that have been referred to the Tactical Operation Groups (TOG) within the Fusion Centre. Each law enforcement agency involved in the TOG takes responsibility in terms of their respective legislative mandates.

The FIC's mandate is to assist in identifying the proceeds of crime, combating money laundering, the financing of terrorism and the proliferation of weapons of mass destruction. It does this by conducting analysis and generate financial intelligence reports based on referrals, data and/or information that is raised within the Fusion Centre. The intelligence is shared with the law enforcement and investigative agencies.

As a hypothetical example, law enforcement may receive a tipoff about a tender that was awarded under questionable circumstances. The identities of the persons under investigation is shared with the Fusion Centre. Using financial profiling and analysis, the FIC links a domestic prominent influential person to various bank accounts, business entities and identified properties.

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Once developed, this report is sent to law enforcement as per request. Based on the content of the financial intelligence, this report may then be used as a basis for law enforcement to gather further information and to develop evidence of criminal activity, if applicable. Should they find evidence of wrongdoing, law enforcement is able to refer the matter to other members such as the National Prosecuting Authority, the Asset Forfeiture Unit or any of the other members of the hub, as per their function and necessary.

This ability to refer and to follow up on matters immediately speaks to the nub of the reason for creating a platform for collaboration among role players involved in identifying and following up on criminal matters.

CREATING PUBLIC-PRIVATE PARTNERSHIPS

The SAMLIT was launched in December 2019 as South Africa's first public-private partnership to deal with financial crime, money laundering and terrorist financing. The partnership is between the banking sector and government regulatory authorities.

The task force brings together members of 22 domestic and international banks, banking industry representatives in South Africa, the Prudential Authority of the South African Reserve Bank (which is responsible for supervision of the banking sector) and the FIC.

The partnership creates a platform for sharing of information, in near real time, between the banking sector and other role players. This adds agility brings speed at which law enforcement is provided necessary information for their investigations. With financial transactions occurring with at speed, this truncated time frame is of critical importance to heading off criminality.

SAMLIT draws together partners on a case-by-case basis and enables them to quickly identify and share detail which can be analysed and passed on to law enforcement and prosecutorial authorities for their investigations and applications for asset forfeiture.

SAMLIT also identifies specific types of behaviours and activities associated with different types of crimes. These typologies are intended to increase knowledge on various types of crimes and helps identify and possibly pre-empt some types of criminal behaviour associated with the banking sector.