

MEDIA RELEASE

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PUBLIC-PRIVATE PARTNERSHIP APPROACH TO FIGHTING FINANCIAL CRIME

24 June 2021: Members of the banking community and the sector's regulatory and supervisory authorities are making inroads in targeting and disrupting financial crime through a financial information sharing partnership, called SAMLIT (South African Anti-Money Laundering Integrated Task Force).

SAMLIT has brought together the FIC, 22 national and international banks, the South African Reserve Bank's Prudential Authority and Financial Surveillance Department and banking association representatives SABRIC (South African Banking Risk information Centre) and BASA (the Banking Association South Africa). SAMLIT and its achievements are captured in its first recently released, annual review report for 2020.

The banking sector finds itself at the coalface of financial transactions, coupled with this, their relationship with regulators and supervisors is geared primarily towards assisting in maintaining the integrity of the financial system which includes combating money laundering and terrorist financing.

Financial information sharing partnerships involving public and private sectors in disrupting financial crime are gaining increasing significance worldwide. As part of its work, the partnership is geared towards ensuring that knowledge on the *modus operandi* of financial criminals' is shared, that institutions increase their understanding on financial crime types and that the work of SAMLIT assists law enforcement authorities in their follow through.

The partnership does this by enhancing the effective, efficient and timeous sharing of information with a view to generating actionable reported information from reporting entities. This improves the analytical capabilities of the FIC and related fusion working groups,

enabling the FIC to issue actionable financial intelligence that helps law enforcement in their investigations and applications for asset forfeiture, and criminal prosecutions.

SAMLIT has established expert working groups (EWGs), for example, that focus on specific types of financial crime vulnerabilities, threats and risk trends, as identified by SAMLIT members. EWGs conduct research, gather information and analyse local and international financial crime trends. They bring this information back to SAMLIT through typologies and solutions which are shared with banking, public sector regulatory and supervisory body partners and law enforcement authorities.

Similarly, tactical operations groups look at priority financial crime types and identify tactical approaches on how to deal with these. Their focus is strategic intelligence sharing on specific financial crime threats.

In the report, Adv Xolisile Khanyile, FIC's Director and chair of the SAMLIT steering committee, said: "The banking sector is critical to the South African economy as it provides not only financial services, but also stability and viability."

A central FIC regulatory requirement for the banking sector is reporting on suspicious and unusual transactions and key to the financial information sharing partnership was to ensure that banks continue to improve the quality of the reports by generating actionable regulatory reports when submitting to the FIC.

Adv Khanyile said: "Banks need to provide detailed, high quality, actionable and information-rich regulatory reports for analysis, which in turn can be speedily converted by the FIC into actionable financial intelligence that adds value as it can be readily applied by law enforcement authorities in their investigations and applications for asset forfeiture.

"The intelligence needs to add value in the investigations, prosecutions and forfeiture of proceeds of financial crime and also assist in the detection and disruption of crimes that have not come to the attention of the police."

Through its work and collective focus, SAMLIT intends increasing joint understanding of the complex nature of financial crime and the speed and sophistication with which they are executed. The information SAMLIT provides to law enforcement is intended to assist in tangible delivery in the disruption of financial crime.

[To access the report, click here.](#)

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Issued by the Financial Intelligence Centre

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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.

Note to editors: SAMLIT (South African Anti-Money Laundering Integrated Task Force) is a private-public partnership between the banking sector and government regulatory authorities, led by the FIC. Started in December 2019 SAMLIT is aimed at enhancing collaboration and coordination in combating financial crime, money laundering and terrorist financing. Banking sector partners include 22 domestic and international banks, and banking industry representatives SABRIC (South African Banking Risk information Centre) and BASA (Banking Association of South Africa). Regulatory authorities in the partnership include the South African Reserve Bank's Prudential Authority and its Financial Surveillance Department and the FIC.

The partnership enhances the effective, efficient and timeous sharing of information with a view to improving analytical capabilities of regulatory authorities which in turn assists law enforcement in their investigations and application for asset forfeiture. Through its work SAMLIT also identifies specific types of behaviours and activities associated with different types of crimes. These typologies are intended to increase knowledge on and possibly pre-empt some types of criminal behaviour associated with the banking sector.

SAMLIT is a partnership of the following public sector members: Financial Intelligence Centre ● South African Banking Risk Information Centre ● The Banking Association South Africa ● The South African Reserve Bank (Financial Surveillance) and (Prudential Authority). National and international banks registered in South Africa: Absa Group Limited ● African Bank Limited ● Albaraka Bank ● Bank of China ● Bank of Taiwan South Africa Branch ● Bidvest Bank Limited ● Capitec Bank Limited ● China Construction Bank Corporation, JHB Branch ● Citibank N.A., South Africa ● Deutsche Bank AG, JHB Branch ● Discovery Limited ● Finbond Mutual Bank ● FirstRand Bank ● GBS Mutual Bank ● Grindrod Bank Limited ● Grobank Limited ● HBZ Bank Limited ● Habib Overseas Bank Limited ● HSBC Bank ● Investec Bank Limited ● Nedbank Group Limited ● Sasfin Bank Limited ● Standard Chartered Bank ● State Bank of India, South Africa ● Standard Bank of South Africa Limited ● TymeBank Limited.