

REGISTER AND REPORT

Gambling entities fulfil a key role in the fight against financial crime by reporting suspicious activity



THE REPORTING OF SUSPICIOUS AND UNUSUAL TRANSACTIONS BY GAMBLING ENTITIES TO THE FINANCIAL INTELLIGENCE CENTRE (FIC) IS OF THE UTMOST IMPORTANCE IN THE SOUTH AFRICA'S REGIME FOR COMBATING MONEY LAUNDERING, TERRORIST FINANCING AND PROLIFERATION FINANCING.

Suspicious and unusual transaction reports (STRs), cash threshold reports (CTRs) and terrorist property reports (TPRs) aid in the detection of money laundering, terrorist financing and proliferation financing.

The FIC analyses the reports received and other data, and from that can prepare financial intelligence reports which it shares with law enforcement agencies. The financial intelligence reports assist's law enforcement and other competent authorities in criminal investigations, prosecution, and applications for forfeiture of assets.

The gambling entity must file an STR when it become aware of certain facts or situations which give rise to a suspicion, this includes when it knows or suspects an activity or transaction:

- Is linked to the proceeds of unlawful activity
- Facilitates the transfer of proceeds of unlawful activities
- Has no apparent business or lawful purpose.
- May be relevant to the investigation of evasion or attempted evasion of a duty to pay tax
- Relates to the offence of financing of terrorist and related activities
- Is in contravention of the prohibition of providing finance to a sanctioned person under section 26B of the FIC Act
- Is structured with the intent to avoid being reported in terms of the FIC Act.

When a transaction has not taken place, but the client's behaviour raises the suspicion that the institution or person may be abused for money laundering, terrorist financing or proliferation financing, the activity must be reported in a suspicious or unusual activity report (SAR).

It is imperative that STRs and SARs are filed as soon as possible without delay, and no later than 15 days from when the person becomes aware of the suspicious or unusual transaction or activity.

The gambling entity must file a CTR when cash in excess of the prescribed amount which is currently R24999.99 is paid or received by the gambling entity. The CTR must be sent to the FIC as soon as possible but no later than 2 (two) days after the person, has become aware of a fact of a cash transaction or series of cash transactions that has exceeded the amount of R24999.99.

Lastly, the gambling entity must file a TPR with the Centre when it knows that it possesses or controls property of a person or entity which:

- Has committed or attempted to commit a specified offence as defined in the Protection of Constitutional Democracy against Terrorist and Related Activities Act, 2004 (Act 33 of 2004) (POCDATARA)
- Is identified in a notice issued under section 25 of POCDATARA
- Is a person or an entity identified in a UN resolution, see section 26A(1) of the FIC Act.

TPRs must be filed with the FIC as soon as possible but no later than five (5) days after the gambling entity establishes that it has property associated with terrorist, proliferation financing and related activities in its possession or under its control.

The more information the gambling entity provides in reports the better, there is certain mandatory information that must be included in the reports as set out in the Money Laundering and Terrorist Financing Control Regulations to the FIC Act. It is important that reporters file detailed and accurate reports timeously to the FIC.

REGISTRATION

Gambling entities must register as an accountable institution under item 9 of Schedule 1 to the FIC Act on goAML. All reports must be filed via the goAML, which is accessible via the FIC website. ■

More on reporting |

Refer to the FIC guidance note 4B, 5B and 6A and the user guides on www.fic.gov.za.

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