

MEDIA RELEASE

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SOUTH AFRICA IMPLEMENTS TARGETED FINANCIAL SANCTIONS

Monday, 1 April 2019: South Africa's measures for combating the financing of the proliferation of weapons of mass destruction and related acts have been enhanced with the launch of the list containing particulars of persons and entities identified for targeted financial sanctions (TFS).

From today, the searchable TFS list is available on the Financial Intelligence Centre (FIC) website (www.fic.gov.za). The FIC is responsible administering TFS measures as adopted by the United Nations Security Council in its Resolutions.

The TFS measures contained in the FIC Act relate to combating the financing of the proliferation of weapons of mass destruction as well as other instances of TFS-related to threats to the peace, breaches of the peace and acts of aggression.

It is prohibited to acquire, collect or use of property of persons or an entity whose names appear in the TFS list. This includes providing financial services and/or products to those persons or entities. No person may transact with a sanctioned person or entity, or process transactions for such a person or entity.

Accountable institutions, listed under Schedule 1 of the Financial Intelligence Centre Act, 2001 (Act 38 of 2001), are encouraged to use the searchable TFS list to determine whether they have a sanctioned person or entity as an existing or prospective client. The TFS list is available to all FIC website visitors. Subscriptions are open to receive alerts each time there are changes to the list (e.g. names added or amendments made to the listing information).

The FIC Director, Advocate Xolisile Khanyile, welcomed the TFS listing as a major milestone for improving South Africa's anti-money laundering and combating of terror financing framework.

"The publication of this list is a significant mechanism and tool for financial institutions to use against possible rogue elements in our financial system. Publishing this list enhances South Africa's

alignment with global measures on anti-money laundering and combating of terror financing to protect the financial system,” said Advocate Khanyile.

Issued by:

The Financial Intelligence Centre

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

ABOUT THE FIC

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) (FIC Act), mandates the FIC to identify the proceeds of crime, combat money laundering and 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 reporting to the FIC. The information provided in these reports form the basis upon which analysis is conducted to develop financial intelligence reports which the FIC makes available to a wide range of law enforcement agencies and other government 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.

In 2017, new amendments to the FIC Act were passed to create greater transparency in the financial system and to advance the fight against corruption, money laundering and the financing of terrorism. These amendments ensure that South Africa continues to meet international standards and best practices. The amendments target four key areas:

- Adopting a risk-based approach when establishing the identity of a client
- Identifying who really owns and benefits from corporate vehicles
- Improving the management of relationships with prominent influential persons
- Implementing United Nations Security Council financial sanctions.

For more about the FIC visit www.fic.gov.za

HEADLINE STATISTICS AS AT 31 MARCH 2018	
40 799	Institutions registered with the FIC
330 639	Reports on suspicious or unusual transactions
4.88 m	Cash threshold reports received
5.2 m	Total number of reports received
1 470	Referrals to law enforcement
2 243	Requests for information
37	Contributions to judicial actions
859	Total FIC (133) and supervisory body (726) inspections conducted