



Financial  
Intelligence Centre

## MEDIA RELEASE

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### REVISION OF THE CASH TRANSACTION REPORTING THRESHOLD IN TERMS OF THE FINANCIAL INTELLIGENCE CENTRE ACT

**Thursday, 20 October 2022:** The Minister of Finance, Mr Enoch Godongwana, has, in terms of section 77(1)(a) of the Financial Intelligence Centre Act, 2001 (Act 38 of 2001) (FIC Act), revised the threshold for cash transaction reporting. The threshold for reporting cash transactions is contained in the Money Laundering and Terrorist Financing Control (MLTFC) Regulations.

The amended MLTFC Regulations were published in Government Notice No. 2638 as published in Government Gazette No. 47302 on Friday, 14 October 2022. The new threshold on reporting cash transactions will be effective from 14 November 2022.

[Download the amendments here.](#)

The Minister's amendments of the MLTFC Regulations to effect the new cash threshold reports (CTRs) follows the publication of draft Regulations by National Treasury on 28 February 2019 for comments. Comments that were received from stakeholders during the comment period were taken into consideration where relevant.

Section 28 of the FIC Act requires accountable and reporting institutions to report information on cash transactions exceeding the prescribed threshold to the Financial Intelligence Centre (FIC). The Minister of Finance has, after consulting with the FIC, approved the revision of the CTR threshold from the current threshold of R25 000 to R50 000. In terms of the revised threshold, accountable and reporting institutions will be required to report any cash transactions of R50 000 and above to the FIC. The current threshold of R25 000 has been in operation since October 2010.

Cash threshold reporting is one of several regulatory reporting obligations for accountable and reporting institutions listed in Schedule 1 and Schedule 3 to the FIC Act respectively. Central to its mandate, the FIC interprets and analyses the regulatory reports it receives to develop financial intelligence for use by law enforcement and other competent authorities in their investigations, prosecutions and applications for forfeiture of assets. Analysis of CTRs is important in helping to decipher possible underlying crime patterns and trends, as well as syndicated or cash-intensive criminal activity.

The key changes to the CTR framework approved by the Minister are:

- The revision of the CTR threshold from R25 000 to R50 000
- The revision of the period within which transactions that meet the threshold of R50 000 must be reported to the FIC, from two business days to three business days from the date on which the accountable or reporting institution, or any of their employees, have become aware of the transaction
- The abolition of the requirement to report on CTR aggregation (CTRA). Currently, cash transactions where a single client has performed multiple transactions with a combined value of R25 000 and above within a defined period are reportable as one report to the FIC. With the revised regulations, this will no longer be a requirement. It is anticipated that the removal of the aggregation requirement will not negatively affect the generation of financial intelligence information, as split transactions that are suspicious and unusual would be reportable in terms of section 29 of the FIC Act.

Any outstanding reports that were due for submission to the FIC before the commencement of the amendments i.e. 14 November 2022 will still need to be submitted to the FIC based on the regulations applicable to that period. The CTRA report type will remain visible on the FIC's registration and reporting system, goAML, to allow reporters to submit outstanding reports and to do remediations on CTAs that might have been previously incorrectly submitted.

In the 2021/22 financial year, the FIC received more than 4.5 million cash threshold and cash threshold aggregation reports from accountable and reporting institutions. Other regulatory reporting streams in terms of the FIC Act include suspicious and unusual transaction reports (section 29), and terrorist property reports (section 28A). It is important

to note that all businesses, whether listed in the FIC Act or not, are obliged to report transactions and/or activities that are deemed suspicious and unusual.

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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.

The 2021/22 financial year saw initiatives which had been implemented in prior years take further root and yield results through collaboration and partnerships. Among these was the work of the Fusion Centre, a collaboration of law enforcement agencies and the FIC, and that of the public-private partnership, the South African Anti-Money Laundering Integrated Task Force. Both initiatives bring together necessary resources and focus attention on dealing with money laundering and terrorist financing.

The financial year also saw the adoption of the Financial Action Task Force mutual evaluation report in October 2021, following their assessment of the country's capability and capacity for combating money laundering, terrorist financing and proliferation financing. Work to address the identified deficiencies got under way in the 2021/22 financial year.

For more about the FIC visit [www.fic.gov.za](http://www.fic.gov.za)

ITEM	2021/22
Total institutions registered	45 555
Regulatory reports received	>5.13 million
Cash threshold reports received	>4.5 million
Suspicious and unusual transaction reports received	533 277
Inspection reports issued by FIC and supervisory bodies	404 FIC and 739 supervisory bodies
Value of sanctions imposed	>R41 million
Financial intelligence reports disseminated	3 114
Responses to requests for financial intelligence	2 300
Proactive reports disseminated	782 of which 131 were high priority matters
Intelligence reports on illicit financial flows	32
Value of suspected criminal proceeds frozen	>R204 million
Proceeds preserved and recovered through Fusion Centre over two years	>R1.75 billion