

## **CONSULTATION NOTE**

Relating to the draft Public Compliance Communications that provide guidance on the definitions of, and industry risks relating to the new and amended schedule items, namely  
Legal Practitioners, Trust and Company Service Providers, Credit Providers, Money or Value Transfer Service Providers, High-Value Goods Dealers and Crypto Assets Service Providers

## INTRODUCTION

1. The Financial Intelligence Centre (Centre) has issued the following draft guidance products which provides guidance to accountable institutions on the interpretation of certain Schedule 1 items:
  - 1.1. The [draft public compliance communication 47A](#) (draft PCC 47A) relates to legal practitioners,
  - 1.2. The [draft public compliance communication 6A](#) (draft PCC 6A) relates to trust and company service providers (TCSPs),
  - 1.3. The [draft public compliance communication 23A](#) (draft PCC 23A) relates to credit providers,
  - 1.4. The [draft public compliance communication 118](#) (draft PCC 118) relates to money or value transfer service (MVTs) providers,
  - 1.5. The [draft Public Compliance Communication 119](#) (draft PCC 119) relates to high value good dealers (HVGd), and
  - 1.6. The [draft public compliance communication 120](#) (draft PCC 120) relates to crypto asset service providers (CASPs),for consideration by all accountable institutions, supervisory bodies and other persons in terms of 42B of the Financial Intelligence Centre Act, 2001 (Act 38 of 2001) (FIC Act).
2. The final version of draft PCC 47A will replace the current PCC 47, the final version of draft PCC 6A will replace the current PCC 6 and the final version of draft PCC 23A will replace the current PCC 23.
3. In addition, the draft PCC 47A, draft PCC 6A, draft PCC 23A, draft PCC 118, draft PCC 119, and draft PCC 120 provide sector specific guidance on the potential money laundering, terrorist financing and proliferation financing (ML/TF/PF) risks the different listed schedule items face and additional controls that certain accountable institutions can consider to ensure compliance with the obligations in terms of the FIC Act.

## FOR CONSULTATION PURPOSES ONLY

### BACKGROUND

4. The proposed amendments to Schedule 1 of the FIC Act were *gazetted* on Friday, 19 June 2020 in the Government Gazette 43447. National Treasury and the Centre invited public comments on proposed amendments to Schedules 1 to the FIC Act.
5. Following an extensive schedules amendments consultation process, the final amendments to Schedule 1 to the FIC Act were *gazetted* on Tuesday, 29 November 2022. The commencement date of the updated Schedules is set as Monday, 19 December 2022.
6. The schedules amendments widen the scope of application of the FIC Act by including additional categories of institutions and businesses that fall under the Centre's scope. The institutions and businesses that have become accountable institutions as a result of the amendments include trust advocates (within the definition of legal practitioners), additional types of TCSPs, credit providers, additional types of MVTs, HVGDs and CASPs, co-operative banks and clearing system participants.
7. The draft guidance products also aim to address comments received during the schedules amendments consultation process and areas of concerns as highlighted in the Financial Action Task Force's 2019 Mutual Evaluation report, which shortcomings include that supervisory bodies have not provided enough sector specific guidance.

### CONCLUSION

8. Commentators are invited to comment on the draft public compliance communications by submitting written comments via the below online comments submission link only.

Consultation comments link
Draft PCC 47A <a href="https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdfEqGu3LQAtHhSNWTYCyU29UQTA1OVk5NVUyREFTVfMWDNQSE9aSVFOUC4u">https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdfEqGu3LQAtHhSNWTYCyU29UQTA1OVk5NVUyREFTVfMWDNQSE9aSVFOUC4u</a>
Draft PCC 6A <a href="https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdfEqGu3LQAtHhSNWTYCyU29UN0NTMTVSRkYUkdPV05VVlczSzILUudLUy4u">https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdfEqGu3LQAtHhSNWTYCyU29UN0NTMTVSRkYUkdPV05VVlczSzILUudLUy4u</a>

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Draft PCC 23A <a href="https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdNzK1-inMD1Lj4jPV6r6iGVUNFhRMVdLMVhBT01RSTISNjg0QlhMRk00OS4u">https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdNzK1-inMD1Lj4jPV6r6iGVUNFhRMVdLMVhBT01RSTISNjg0QlhMRk00OS4u</a>
Draft PCC 118 <a href="https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdFegGu3LQAtHhSNWTYCyU29UMFdXQzNUS0o4RVQ4MEINTVg1SE03UExRTS4u">https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdFegGu3LQAtHhSNWTYCyU29UMFdXQzNUS0o4RVQ4MEINTVg1SE03UExRTS4u</a>
Draft PCC 119 <a href="https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdFegGu3LQAtHhSNWTYCyU29UQki4Q1gxUVIEUzIOVk84MURHV1RaSFRHMC4u">https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdFegGu3LQAtHhSNWTYCyU29UQki4Q1gxUVIEUzIOVk84MURHV1RaSFRHMC4u</a>
Draft PCC 120 <a href="https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdNzK1-inMD1Lj4jPV6r6iGVUN1NVOTJCSU4yVzYyTTdLMUFXUUUVDRzc5OC4u">https://forms.office.com/Pages/ResponsePage.aspx?id=szVSHGOkAUqWp9wmNLKqdNzK1-inMD1Lj4jPV6r6iGVUN1NVOTJCSU4yVzYyTTdLMUFXUUUVDRzc5OC4u</a>

9. Any questions or requests relating to the draft public compliance communications may only be sent to the Centre at **consult@fic.gov.za**. Submissions will be received until close of business on Friday, 20 January 2023
10. The Centre intends to conclude the consultation on the draft PCC 47A, draft PCC 6A, draft PCC 23A, draft PCC 118, draft PCC 119, and draft PCC 120 by publishing a final version thereof, no later than Tuesday, 31 January 2023.

### COMMUNICATION WITH THE CENTRE

11. Queries can be directed to the compliance contact centre on 012 641 6000 and select option 1. Queries can also be submitted online by clicking on <http://www.fic.gov.za/ContactUs/Pages/ComplianceQueries.aspx> or visiting the Centre's website and submitting an online compliance query.

#### Issued By:

The Director Financial Intelligence Centre

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CENTURION

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**15 December 2022**