

NOTICE

Ref: 9/5/1/3

ACCURATE COMPLETION AND SUBMISSION OF RISK AND COMPLIANCE RETURNS IN TERMS OF DIRECTIVE 6 AND DIRECTIVE 7 OF 2023

5 October 2023: On 31 March 2023, the Financial Intelligence Centre (FIC) issued Directives 6 and 7 of 2023 obliging accountable institutions to submit risk and compliance returns (RCRs) to the FIC.

Directive 6 obliged the following accountable institutions designated as items listed in Schedule 1 to the Financial Intelligence Centre Act, 2021 (Act 38 of 2001) (FIC Act) to complete and submit their RCRs by 31 May 2023: legal practitioners (item 1), trust and company service providers (item 2), estate agents (item 3) and gambling institutions (item 9).

Directive 7 obliged the following accountable institutions designated as items listed in Schedule 1 to the FIC Act, to complete and submit their RCRs by 31 July 2023: credit providers (item 11), South African Post Bank (item 14), high value goods dealers (item 20), South African Mint Company (item 21) and crypto asset service providers (item 22).

The FIC's risk-based supervision capability is enhanced by the regulatory requirement of Directive 6 and Directive 7. These Directives serve to inform all the specified accountable institutions, called designated non-financial businesses and professions (DNFBPs) by the Financial Action Task Force (FATF), that they must submit information regarding their understanding of risks they face of money laundering (ML), terrorist financing (TF) and proliferation, and their assessment of compliance with obligations in terms of the FIC Act.

Accordingly, these affected accountable institutions are obliged to file a self-assessment on anti-money laundering, combating of terrorist financing and combating of proliferation financing, referred to as the RCR. Failure to submit can lead to administrative action. The FIC uses a risk-rating tool to analyse the data from RCRs to identify higher risk DNFBPs as a basis for risk-based supervision consideration, and inclusion in the supervisory plan.

This notice serves to confirm that:

1. Only accountable institutions that have successfully registered with the FIC on its registration and reporting platform (goAML), and who have received a FIC organisation identity number (Org ID), may submit a RCR.
2. Accountable institutions **shall not** submit a RCR if they have not registered with the FIC and received a FIC Org ID.
3. If the accountable institution is not yet registered with the FIC, the accountable institution is requested to immediately register by accessing [this link](#).
4. All accountable institutions must submit a separate RCR for each Schedule item registered with the FIC. This means that a separate RCR must be submitted for each FIC Org ID held by an accountable institution. This requirement applies to entities with branch networks, and entities that offer multiple offerings across the FIC Schedule items.
5. Only one RCR submission is permitted per accountable institution for each FIC Org ID held.
6. The FIC urges compliance officers to clearly communicate the requirement for submission of RCRs internally in their institutions to avoid duplicate submissions.
7. Accountable Institutions must accurately capture and state their FIC Org ID number in the RCR return. In the Org ID field, only the FIC goAML generated Org ID is to be captured, not a personal ID number nor the company registration number.

For any further queries on this process, do not hesitate to contact the FIC, as follows:

- By using the [Compliance Queries](#) link on the FIC website, <http://www.fic.gov.za>.

- Call the FIC Compliance Contact Centre on 012 641 6000 and selecting option 1.

Issued by:
The Financial Intelligence Centre
5 October 2023