

**NATIONAL ASSEMBLY**  
**QUESTION FOR WRITTEN REPLY**  
**QUESTION NUMBER: 3009 [NW3837E]**

**3009. Dr D T George (DA) to ask the Minister of Finance:**

With reference to the 2019-20 Annual Report of the Financial Intelligence Centre what are the reasons that the SA Mint, a wholly-owned subsidiary of the SA Reserve Bank, failed to (a) update information related to registration and (b) report cash thresholds for which they received a sanction of R1,3 million?

NW3837E

**REPLY**

On 25 March 2019, the Financial Intelligence Centre (“the FIC”) conducted an inspection on SA Mint, with the following compliance deficiencies identified:

**a) Failure to update information related to the SA Mint’s registration:**

1. The SA Mint was registered with the FIC as a reporting institution with effect from 27 November 2013.
2. With the introduction of FIC’s *goAML* registration system in 2016, the notification to register on the new system was sent to an employee that had left the SA Mint, resulting in SA Mint not being aware of the notification and thus not updating its information on the new online registration system.
3. In August 2019 and subsequent to the inspection, SA Mint updated its registration information with the FIC.

**(b) Failure to report cash threshold transactions:**

1. In terms of the inspection conducted, the FIC found that SA Mint did not report cash transactions at its retail store, Coin World, as well as direct cash deposits made into its bank account.

2. Furthermore, the FIC found that the internal classification of funds received, did not differentiate between cash or electronic payments.
3. In addition, there were two instances of cash received at the retail outlet, which were reported late and not in accordance with the FIC Act time frames.
4. SA Mint confirms that where the information was available, the relevant cash threshold transactions have been reported to the FIC subsequent to the inspection.
5. Further, SA Mint confirms that it continues to timeously report all relevant cash threshold transactions in accordance with section 28 of the FIC Act.
6. Currently, the SA Mint is in full compliance with the FIC Act and the relevant training, processes, procedures and monitoring systems are in place to ensure full compliance with its FIC Act obligations.