



national treasury

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REPUBLIC OF SOUTH AFRICA

SAMLIT
South African Anti-Money Laundering
Integrated Task Force

MEDIA RELEASE

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UNITED STATES-SOUTH AFRICA TASK FORCE TO FOCUS ON DISRUPTING FINANCIAL FLOWS RELATED TO ILLEGAL WILDLIFE TRADE

26 January 2023: The South African and the United States governments have committed to establishing a task force aimed at advancing both countries' efforts to combat the laundering of money generated from illegal wildlife trade.

The work of the task force will focus on (i) increasing information sharing (ii) supporting law enforcement agencies and on (iii) strengthening anti-money laundering and countering the financing of terrorism (AML and CFT) controls.

In both countries, the central role players will be the financial intelligence units, namely the Financial Crimes Enforcement Network (FinCEN) in the US, and the Financial Intelligence Centre (FIC) in South Africa. More specifically, the work conducted by FinCEN will be under the auspices of FinCEN Exchange and in South Africa, under SAMLIT (South African Anti-Money Laundering Integrated Task Force).

FinCEN Exchange was established in 2021, to bolster efficiency and effectiveness in the fight against money laundering and terrorist financing, organised crime, other financial crimes and to promote national security. FinCEN Exchange facilitates information sharing through the formation of public-private partnerships with law enforcement, security agencies, financial institutions and others, with a view to disrupting money laundering, terrorism financing, and other financial crimes.

SAMLIT was formed in 2019 as a public-private partnership of regulatory authorities (the FIC and the Prudential Authority of the South African Reserve Bank), 26 domestic and international banks registered in South Africa, and banking industry representatives, namely, the South African Banking Risk Information Centre and The Banking Association South Africa. SAMLIT's primary objectives include increasing knowledge on financial flows associated with financial crimes and facilitating timeous information sharing with the intention of identifying, disrupting and preventing

the furtherance of financial crime. This is achieved through collaboration with law enforcement, prosecutorial authorities and others.

In 2020 SAMLIT formed an expert working group on illegal wildlife trade with a view to increasing knowledge about the financial flows associated with this crime among financial institutions, law enforcement and prosecuting authorities.

“The task force will greatly expand our ability to increase information exchange and to provide support to law enforcement across our two countries,” said Adv Xolisile Khanyile, Director of the FIC and chairperson of SAMLIT.

“Financial crime and criminals respect no geographical boundaries so we need to be prepared to share and exchange information speedily and effectively. We also need to take lessons from each other on how to improve upon our own practices and methodologies to stay ahead of criminals and their activities.

“It is important that we are geared to form our own networks which provide little room for criminals to increase their asset base.”

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ISSUED BY THE FINANCIAL INTELLIGENCE CENTRE
FOR MORE INFORMATION PLEASE E-MAIL: communications@fic.gov.za
Alternatively, contact Louise van der Merwe at the South African Banking Risk Information Centre on 082 070 5349

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.

ITEM	2021/22
Total institutions registered	45 555
Regulatory reports received	>5.12 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 financial intelligence reports disseminated	782 of which 131 related to high-priority matters
Financial 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 since the inception of the Fusion Centre	>R1.75 billion
Value of proceeds of crime recovered, in which the FIC's financial intelligence was used	>R5.1 billion
Collaboration between SAMLIT and the Fusion Centre over the last two years led to the preservation and directives to freeze accounts to this amount	R86 million

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

South African Anti-Money Laundering Integrated Task Force (SAMLIT)

SAMLIT is a public-private partnership between the banking sector and government regulatory authorities, led by the Financial Intelligence Centre (FIC). Started in December 2019, SAMLIT is aimed at enhancing collaboration and coordination in combating financial crime, money laundering and terrorist financing. Banking sector partners include 26 domestic and international banks registered in South Africa, and banking industry representatives SABRIC (South African Banking Risk information Centre) and BASA (The Banking Association South Africa). Regulatory authorities in the partnership include the South African Reserve Bank's Prudential Authority and the FIC.

The partnership enhances the effective, efficient, and timeous sharing of information with a view to improving analytical capabilities of regulatory authorities which in turn assists law enforcement in their investigations and application for asset forfeiture. Through its work SAMLIT also identifies specific types of behaviours and activities associated with different types of crimes. These typologies are intended to increase knowledge on and possibly pre-empt some types of criminal behaviour associated with the banking sector. For any queries about SAMLIT, please go to SAMLIT@fic.gov.za.

SAMLIT MEMBERS:

Public sector: Financial Intelligence Centre | South African Reserve Bank: Prudential Authority

Banking industry representatives: South African Banking Risk Information Centre | The Banking Association South Africa

Banking sector: Absa Group Limited | African Bank Limited | Albaraka Bank | Bank of China | Bank of Taiwan South Africa Branch | Bidvest Bank Limited | Capitec Bank Limited | China Construction Bank Corporation, JHB Branch | Citibank N.A., South Africa | Deutsche Bank AG, JHB Branch | Discovery Limited | Finbond Mutual Bank | FirstRand Bank | GBS Mutual Bank | Grindrod Bank Limited | Grobank Limited | HBZ Bank Limited | Habib Overseas Bank Limited | HSBC Bank | Investec Bank Limited | Nedbank Group Limited | Sasfin Bank Limited | Standard Chartered Bank | State Bank of India, South Africa | Standard Bank of South Africa Limited | TymeBank Limited.