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National Treasury
REPUBLIC OF SOUTH AFRICA

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MEDIA STATEMENT

FATF GREYLISTING PROGRESS UPDATE FOR SOUTH AFRICA: TWO ACTION ITEMS REMAIN TO BE ADDRESSED

The Financial Action Task Force (FATF) today announced the upgrade of four of the six outstanding action items at the conclusion of its latest plenary meetings in Paris, France.

South Africa is now deemed to have addressed or largely addressed 20 of the 22 action items in its Action Plan, leaving two items to be addressed in the next reporting period that runs from March 2025 to June 2025. This would enable South Africa to be considered for delisting from the FATF greylist in October 2025.

The FATF Plenary adopted the report and recommendations of the Africa Joint Group on 21 February 2025 and noted South Africa's progress in its public statement: "*Jurisdictions under Increased Monitoring – 21 February 2025*" ([FATF Update on greylisted countries February 2025](#)).

National Treasury welcomes the efforts of financial and non-financial regulators and beneficial ownership registries and its law enforcement users, in securing upgrades for the four action items they were directly responsible for in the current reporting cycle. Treasury also notes the on-going efforts by all the law enforcement agencies to demonstrate the significant progress in respect of the two action items not yet upgraded, relating to the investigation and prosecution of serious and complex money laundering and of terrorist financing.

The FATF statement issued today after its Plenary states the following in relation to South Africa:

"Since February 2023, when South Africa made a high-level political commitment to work with the FATF and ESAAMLG to strengthen the effectiveness of its AML/CFT regime, South Africa has taken steps towards improving its AML/CFT regime including by demonstrating that all supervisors apply effective, proportionate, and effective sanctions, ensuring competent authorities have timely access to accurate and up to date BO information on legal persons and arrangements and applying sanctions for breaches of violation by legal persons to beneficial ownership obligations. South Africa should continue to work on implementing its action plan to address its remaining strategic deficiency on demonstrating a sustained increase in investigations and prosecutions of serious and complex money laundering and the full range of TF activities in line with its risk profile."

The decision by the FATF Plenary to extend the reporting cycle for the two action items on investigations and prosecutions for serious and complex money laundering and terror financing activities reflects the fact that these are the most demanding goals of every country's systems



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for combating money laundering and terrorist financing, particularly since they require a country to demonstrate that the improvements made are sustained over successive reporting periods.

South Africa continues to address both outstanding action items by June 2025 to enable an exit from greylisting by October 2025. Our investigation and prosecution teams are working closely in terms of a prosecution-guided investigation strategy to ensure that we demonstrate the sustained progress as required by FATF. These improvements are critical not just for getting off the greylist, but, critically, for strengthening the fight against crime and corruption.

Attached below is the agreed Action Plan between the South African Government and FATF. The remaining items IO7 and IO9(4) were previously upgraded from “Not Addressed” to “Partly Addressed”. To date, the law enforcement agencies/departments have also successfully addressed 7 action items, including IO.2, IO.5(1), IO.6, IO.8 as well as three out of the four action items for IO.9.

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Issued By National Treasury

Date: 21 February 2025



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ANNEXURE: SOUTH AFRICA'S ACTION PLAN (ADOPTED FEBRUARY 2023)

(Outstanding Action Items as at 21 February 2025 in bold)

Immediate Outcome	Action Item	Timelines
IO2	1. South Africa should demonstrate a sustained increase in outbound MLA requests and timely follow up to help facilitate ML/TF investigations and confiscations of different types of assets in line with its risk profile.	May 2024
IO3/4	1. The authorities should proactively identify and take action against unlicensed cross-border MVTS.	January 2025
	2. South Africa should improve risk-based supervision of DNFBPs by: a) implementing and keeping up-to-date supervisory risk-assessment tools to identify higher risk DNFBPs as a basis for risk-based supervision;	May 2024
	b) conducting inspections on a risk-sensitive basis of high-risk DNFBPs; and	September 2024
	c) conduct training and awareness programmes on their AML/CFT obligations, particularly with regards to filing and submitting STRs filed in line with risks.	September 2024
	3. South Africa should strengthen the AML/CFT supervisory capacity (human and financial resources) of FSCA and FIC.	May 2024
IO5	4. South Africa should demonstrate that all AML/CFT supervisors apply and monitor implementation of follow-up remedial actions and that effective, proportionate and dissuasive sanctions are being applied	January 2025
	1. South Africa should demonstrate that competent authorities have timely access to adequate, accurate and up to date beneficial ownership information of legal persons and arrangements.	September 2024
IO6	2. South Africa should apply remedial actions and/or dissuasive and proportionate sanctions for violations of the transparency obligations applicable to legal persons.	January 2025
	1. The SAPS should demonstrate a sustained increase in proactive requests for financial intelligence from the FIC for its ML/TF investigations.	May 2024
IO7	1. South Africa should demonstrate a sustained increase in investigations and prosecutions of serious and complex money laundering, in particular involving professional money laundering networks/enablers and third-party ML in line with its risk profile.	January 2025
IO8	1. South Africa should enhance its identification, seizure and confiscation of proceeds and instrumentalities of a wider range of predicate crimes, in line with its risk profile.	September 2024
IO9 (+ element of IO1)	1. South Africa should take necessary actions to ensure the deficiencies identified in R.5 are addressed*	January 2024
	2. South Africa should: a) Review and update its TF Risk Assessment; and	May 2024
	b) Update and begin to implement a comprehensive national counter financing of terrorism strategy, incorporating the findings of the updated TF Risk Assessment.	September 2024
	3. South Africa should enhance the capacity of the relevant authorities, including SAPS and NPA, by: a) providing each agency with adequate training, personnel and financial resources to effectively carry out their CFT roles and responsibilities;	May 2024
	b) clearly incorporating the new obligations under revised POCDATARA into internal trainings, policies, procedures and performance indicators.	September 2024
IO10/11	4. South Africa should demonstrate a sustained increase in the effective identification, investigation and prosecution of the full range of TF activities, consistent with its TF risk profile.	January 2025
	1. South Africa should implement a legal and institutional framework for targeted financial sanctions (TFS) by:	May 2024



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a)	Addressing the R.6 deficiencies identified in the MER consistent with the FATF Standards*;	
b)	Addressing the R.7 deficiencies identified in the MER consistent with the FATF Standards*;	May 2024
c)	Demonstrating an effective process to implement TF TFS without delay; and	September 2024
d)	Demonstrating an effective mechanism to identify individuals and entities that meet the criteria for domestic designation in line with UNSCR 1373.	September 2024