

## **Summary of FIC guidance and links to relevant webpages**

The recent evaluation of South Africa by the Financial Action Task Force (FATF) and the subsequent “greylisting” of South Africa for various deficiencies linked to poor money laundering controls have led to various legislative changes. The legislative changes have been fast-tracked to show South Africa’s commitment to addressing the deficiencies highlighted by the FATF.

Members and associates need to take note of the changes and the possible implication on their business activities.

SCHEDULE 1, 2 AND 3 TO THE FINANCIAL INTELLIGENCE CENTRE ACT was amended, with Schedule 1 being of particular interest.

### **Changes to Schedule 1<sup>1</sup>:**

Some of the changes include the following as accountable institutions:

- Legal practitioners
- Co-operative banks
- Credit providers
- High-value goods (valued in R100 000 or more)
- South African Mint Company (RF)(Pty)(Ltd)
- Persons carrying on the business dealing with various crypto-assets
- Trust and company service providers. (TCSP)

TCSPs are specifically included and are defined as follows:

- a person who carries on a business of preparing for, or carrying out, transactions for a client where the client is assisted in
  - the planning or execution of the organisation of contributions necessary for the creation, operation or management of a company, or of an external company or of a foreign company, or
  - the creation, operation or management of a company, or of an external company or of a foreign company, or the operation or management of a close corporation would be viewed as an accountable institution.

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<sup>1</sup> [Amended Schedule 1, 2 and 3](#)

The changes were promulgated and made **effective from 19 December 2022**.

To assist members in understanding their compliance obligations SAICA has prepared a summary of the requirements as well as links to various guidance notes, directives and public compliance communication notes.

Every effort has been made to ensure that where quotes, extracts and paragraphs from legislation are referred to these references are correct. The information contained in the summary is for information purposes only.

The Standards Audit and Assurance Division of SAICA has prepared summary.

## Guidance / Considerations when you are classified as an Accountable Institution

General		Webpage
Reference guide for all accountable institutions		<a href="https://www.fic.gov.za/Documents/221213%20Reference%20guide%20clean.pdf">https://www.fic.gov.za/Documents/221213%20Reference%20guide%20clean.pdf</a>
Draft Public Compliance Communication 6A – Guidance on trust and company service providers for the purpose of Schedule 1 of the FIC Act <i>(Awaiting publication of final PCC)</i>		<a href="#">221213 Draft PCC 6A TCSP final.pdf (fic.gov.za)</a>
Assessment of the inherent my laundering and terrorist financing risks – Trust Services Provider’s Sector		<a href="#">Trust Service Providers Sector Risk Assessment Report FINAL.pdf (fic.gov.za)</a>
Compliance duty	Section	Webpage
Register with the FIC	Section 43B	<a href="#">Pages - Registration (fic.gov.za)</a>
	Regulation 27A	
	Directive 2 of 2014 - Use of login credentials pursuant to registration with the FIC in terms of the FIC Act	<a href="https://www.fic.gov.za/Documents/Use%20of%20login%20credentials%20following%20registration%20with%20the%20FIC.pdf">https://www.fic.gov.za/Documents/Use%20of%20login%20credentials%20following%20registration%20with%20the%20FIC.pdf</a>
	Draft PCC 5D (to update 5C) – on registration with the FIC in terms of Section 43B of the FIC Act by accountable institutions and acquisition o login credentials by any other business with a reporting obligation under the Act	<a href="https://www.fic.gov.za/Documents/221215%20PCC05D%20AI%20Registration%20final%20(003).pdf">https://www.fic.gov.za/Documents/221215%20PCC05D%20AI%20Registration%20final%20(003).pdf</a>
	goAML registration	<a href="https://www.fic.gov.za/Documents/160712%20goAML%20Registration%20AIRI_new.pdf">https://www.fic.gov.za/Documents/160712%20goAML%20Registration%20AIRI_new.pdf</a>

Governance of AML and CFT (compliance representatives)	Section 42A	<a href="#">Pages - complianceofficer</a>	
	Guidance note 7 – The implementation of various aspects of the FIC Act	<a href="https://www.fic.gov.za/Documents/171002_FIC%20Guidance%20Note%2007.pdf">https://www.fic.gov.za/Documents/171002_FIC%20Guidance%20Note%2007.pdf</a>	
Customer due diligence	Sections 20A, 21, 21A to 21H Guidance note 7	<a href="#">Pages - IMPLEMENTING A RISK-BASED APPROACH (fic.gov.za)</a>	
	Targeted financial sanctions	<a href="https://www.fic.gov.za/International/sanctions/SitePages/Home.aspx">https://www.fic.gov.za/International/sanctions/SitePages/Home.aspx</a>	
Training	Section 43 Guidance note 7	<a href="#">Pages - training (fic.gov.za)</a>	
Risk management & compliance programme	Section 42	<a href="#">Pages - riskmanagement (fic.gov.za)</a>	
	Public Compliance Communication 53 Guidance note 7	<a href="https://www.fic.gov.za/Documents/220830%20PCC%2053%20RMCP%20Final.pdf">https://www.fic.gov.za/Documents/220830%20PCC%2053%20RMCP%20Final.pdf</a>	
Reporting	CTR Cash threshold reporting	Section 28 Regulations 22, 22B, 22C & 24	<a href="#">Pages - Reporting (fic.gov.za)</a>
		Guidance note 5C – on cash threshold report to the FIC in terms of Section 28 of the FIC Act	<a href="https://www.fic.gov.za/Documents/221020%20GN5C_%20final%20(004).pdf">https://www.fic.gov.za/Documents/221020%20GN5C_%20final%20(004).pdf</a>
		Directive 3/2014 – Notification of failure to report as required by the FIC in terms of the FIC Act	<a href="https://www.fic.gov.za/Documents/140912%20Directive%2003.pdf">https://www.fic.gov.za/Documents/140912%20Directive%2003.pdf</a>

TPR Terrorist property reporting	Section 28A Regulations 22, 22A, 23B, 23C, 24	<a href="https://www.fic.gov.za/Compliance/Pages/Reporting.aspx">https://www.fic.gov.za/Compliance/Pages/Reporting.aspx</a>
	Guidance note 6A – on terrorist financing and terrorist property reporting obligation in terms of section 28A of the FIC Act	<a href="https://www.fic.gov.za/Documents/190327%20FIC%20Guidance%20Note%206A.pdf">https://www.fic.gov.za/Documents/190327%20FIC%20Guidance%20Note%206A.pdf</a>
STR Suspicious & unusual transaction reporting	Section 29 Regulations 22, 23, 23A, 24	<a href="https://www.fic.gov.za/Compliance/Pages/Reporting.aspx">https://www.fic.gov.za/Compliance/Pages/Reporting.aspx</a>
	Guidance note 4B – on reporting of suspicious and unusual transactions and activities to the FIC in terms of Section 29 of the FIC Act	<a href="https://www.fic.gov.za/Documents/190326_FIC%20Guidance%20Note%2004B.pdf">https://www.fic.gov.za/Documents/190326_FIC%20Guidance%20Note%2004B.pdf</a>
	Directive 5/2019 – The usage of an automated transaction monitoring system for the detection and submission of regulatory report to the FIC in terms of Section 29 of the FIC Act	<a href="https://www.fic.gov.za/Documents/190327%20FIC%20Directive%205%20ATMS.pdf">https://www.fic.gov.za/Documents/190327%20FIC%20Directive%205%20ATMS.pdf</a>
Cash conveyance reporting	Section 30	<a href="https://www.fic.gov.za/Compliance/Pages/Reporting.aspx">https://www.fic.gov.za/Compliance/Pages/Reporting.aspx</a>
Cross border electronic transfer reporting	Section 31	<a href="https://www.fic.gov.za/Compliance/Pages/Reporting.aspx">https://www.fic.gov.za/Compliance/Pages/Reporting.aspx</a>
	Draft Guidance note no 104A – on international funds transfer reporting to the FIC in terms of section 31 of the FIC Act	<a href="https://www.fic.gov.za/Documents/230116%20FIC%20IFTR%20Draft%20GN104A.pdf">https://www.fic.gov.za/Documents/230116%20FIC%20IFTR%20Draft%20GN104A.pdf</a>
Record keeping	Sections 22, 22A, 23, 24 Regulation 20 Guidance note 7	<a href="https://www.fic.gov.za/amendments/Pages/recordkeeping.aspx">https://www.fic.gov.za/amendments/Pages/recordkeeping.aspx</a>

### Additional compliance obligations

Directive	Name	Link
Directive 8 of 2023	Screening of employees for competence and integrity and scrutinising of employee information against applicable Targeted Financial Sanctions lists as a money laundering, terrorist financing and proliferation financing control measure	<a href="https://www.fic.gov.za/Documents/230331_Directive%208_Screening%20Employees.pdf">https://www.fic.gov.za/Documents/230331_Directive%208_Screening%20Employees.pdf</a>
PCC 55	Public Compliance Communication 55 on Directive Screening of employees for competence and integrity and scrutinising of employee information against applicable Targeted Financial Sanctions lists as a money laundering, terrorist financing and proliferation financing control measure	<a href="https://www.fic.gov.za/Documents/230331_PCC%2055%20Screening%20of%20Employees.pdf">https://www.fic.gov.za/Documents/230331_PCC%2055%20Screening%20of%20Employees.pdf</a>
Directive 6 of 2023	Risk and compliance return (first deadline 31 May 2023)	<a href="https://www.fic.gov.za/Documents/230331_Directive%206%20RCR.pdf">https://www.fic.gov.za/Documents/230331_Directive%206%20RCR.pdf</a>
Directive 7 of 2023	Risk and compliance return (first deadline 31 July 2023)	<a href="https://www.fic.gov.za/Documents/230331_Directive%207%20RCR.pdf">https://www.fic.gov.za/Documents/230331_Directive%207%20RCR.pdf</a>

## Guidance to assist clients

<b>Assessment of the inherent money laundering and terrorist financing risks:</b>	
Kruger Rand Dealers	<a href="https://www.fic.gov.za/Documents/Krugerrand%20dealers%20Sector%20Risk%20Assessment%20Report%20%20FINAL.pdf">https://www.fic.gov.za/Documents/Krugerrand%20dealers%20Sector%20Risk%20Assessment%20Report%20%20FINAL.pdf</a>
Gambling sector	<a href="https://www.fic.gov.za/Documents/Gambling%20Sector%20Risk%20Assessment%20Report%20FINAL.pdf">https://www.fic.gov.za/Documents/Gambling%20Sector%20Risk%20Assessment%20Report%20FINAL.pdf</a>
Lender of Money against the security of securities sector	<a href="https://www.fic.gov.za/Documents/Item%2011%20Risk%20Assessment%20Report%20FINAL.pdf">https://www.fic.gov.za/Documents/Item%2011%20Risk%20Assessment%20Report%20FINAL.pdf</a>
Legal Practitioners	<a href="https://www.fic.gov.za/Documents/Legal%20practitioners%20Risk%20Assessment%20Report%20%20FINAL.pdf">https://www.fic.gov.za/Documents/Legal%20practitioners%20Risk%20Assessment%20Report%20%20FINAL.pdf</a>
Financial flows with illegal wildlife	<a href="https://www.fic.gov.za/Documents/SAMLIT_IWT%20Report_November2021.pdf">https://www.fic.gov.za/Documents/SAMLIT_IWT%20Report_November2021.pdf</a>
Real estate sector	<a href="https://www.fic.gov.za/Documents/Estate%20Agents%20Sector%20Risk%20Assessment%20Report%20FINAL.pdf">https://www.fic.gov.za/Documents/Estate%20Agents%20Sector%20Risk%20Assessment%20Report%20FINAL.pdf</a>
Motor vehicles	<a href="https://www.fic.gov.za/Documents/Motor%20Vehicle%20Dealers%20Risk%20Assessment%20Report%20%20FINAL.pdf">https://www.fic.gov.za/Documents/Motor%20Vehicle%20Dealers%20Risk%20Assessment%20Report%20%20FINAL.pdf</a>