



# 2023 Round-Up:

A look back on FICA & AML changes



2023 has been a year of significant change within South Africa's Anti-Money Laundering, Combating the Financing of Terrorism and Counter Proliferation Financing environment. From cash threshold increases for reporting, Schedule 1 Accountable Institution additions, to considerable amendments to FICA in the form of the General Laws Amendment Act and new Directives 6, 7 and 8 among others. It has been a year fully loaded with reform.

Many of these changes were proactively taken, aimed at preventing a greylisting designation but also as reactive responses based on the FATF's recommendations after South Africa was greylisted in February 2023.



## These changes included:

1

Cash Threshold  
Amendments

2

Schedule 1  
Amenments

3

General Laws  
Amendment Act

4

New Directives  
6, 7 & 8

### 1 Cash Threshold Amendments

The first considerable change took place on 14 November 2022 regarding amendments to Cash Threshold Reporting. The monetary threshold was increased for cash reporting from deposits or transfers of R24 999 and above to R49 999 and above as a single transaction only.

[Read more here.](#)



## 2 Schedule 1 Amendments

Towards the end of 2022 the Government Gazette published changes to Schedules 1,2 and 3 of FICA. The amendments aimed to close gaps in anti-money laundering (AML) and counter financing of terrorist (CFT) coverage in South Africa by expanding the reach of the FIC Act. Whilst it significantly increased the number of people and firms identified as Accountable Institutions who are now subject to its full requirements, it does provide the Financial Intelligence Centre with additional valuable intelligence across a broader range of financial and non-financial industries at risk of being leveraged by those with criminal intent.

### The New Categories included:

- All High-Value Goods Dealers
- Advocates that practise with a fidelity fund certificate, which are those advocates that are able to deal directly with clients from the public
- Trust and Company Service Providers
- Credit Providers
- Crypto Asset Service Providers
- Co-operative banks
- The South African Mint Company regarding the distribution of non-circulation coins in retail trade
- Money or “Value” Transfer Providers

[Read more about the New Accountable Institutions.](#)



### 3 General Laws Amendment Act

#### General Laws Amendment Act

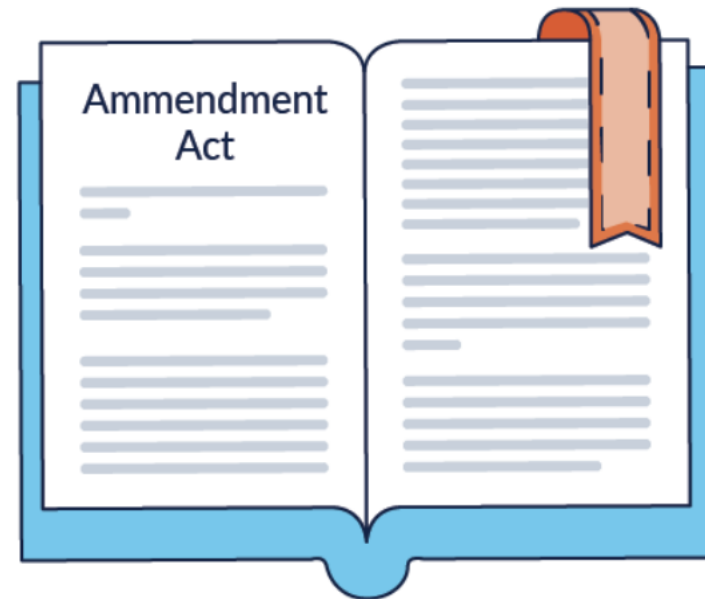
The General Laws (Anti-Money Laundering and Combating Terrorism Financing Amendment Act) was gazetted on 31 December 2022. The Act is a key legal mechanism aimed at addressing the deficiencies identified by the FATF in its Mutual Evaluation Report and observation period of South Africa's AML/CFT landscape and was effectively South Africa's last legislative hope in attempting to avoid greylisting at the time.

The Act amended 5 pieces of legislation, being incorporated into one holistic, omnibus Act.

These Acts were:

- FICA
- the Trust Property Control Act
- the Nonprofit Organisations Act
- the Companies Act (CA)
- the Financial Sector Regulation Act

[Read more about the FICA Amendments here.](#)



## 4 New Directives 6,7 & 8

### New Directives: Directives 6, 7 and 8

The FIC issued new directives (6,7 & 8) which were gazetted on Sunday 2 April 2023 and backdated to 31 March 2023, when they came into force.

#### Directive 6 & 7:

Serve to inform certain Accountable Institutions that they must submit information regarding their understanding of money laundering, terrorist financing and proliferation financing risks and their assessment of compliance with obligations in terms of the FIC Act to the FIC through a risk and compliance return.

[Read more about Directive 6 & 7 this here.](#)

#### Directive 8:

Requires Accountable Institutions to screen prospective employees and current employees for competence and integrity, as well as to scrutinise employee information against the Targeted Financial Sanctions lists, in order to identify, assess, monitor, mitigate and manage the risk of money laundering, terrorist financing and proliferation financing.

[Read more about Directive 8 here.](#)

For South Africa to be removed from the greylist in quick succession like Mauritius did in just two years, a collaborative and determined effort from multiple stakeholders are essential. In addition to government, law enforcement agencies and the FIC themselves, Accountable Institutions can play a supporting role in actively complying with the mandates of FICA and significantly contributing to remedying the recommendations set out by the FATF.

**DocFox is an end-to-end software and services solution that enables you to be FULLY FICA compliant.**

In addition to our gold standard software which takes care of automating your FICA requirements we also offer Compliance Service packages. These services include crafting a custom RMCP and Risk Rating matrix that can be tailored to your business as well as CPD approved FICA training.

[Request A Demo](#)





[www.docfox.co.za](http://www.docfox.co.za)

© 2023 DocFox Africa. All rights reserved