

A New Approach

"A system to combat money laundering and terrorist financing works effectively if the financial system is transparent, based on robust customer due diligence measures, to ensure that adequate information is captured in the records of accountable institutions and to make the sharing of information that may support further investigation of money laundering and terrorist financing possible."

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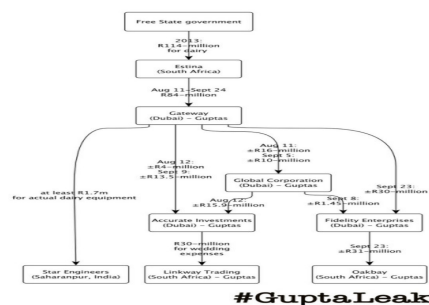
Money Laundering

Money laundering is the manipulation of money or property in order to disguise its true source.

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Money Laundering



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Repeals and Withdrawals

Regulations Repealed

- Chapter 1 - Establishment & Verification of Identity
- Chapter 3 - Client Profile
- Chapter 5 - Internal Rules

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Repeals and Withdrawals

Exemptions Withdrawn

- R1596 of 20 December 2002
- 1353 of 19 November 2004
- 560 of 25 June 2010
- 461 of 5 June 2015

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Customer Due Diligence

- 20A Anonymous clients and false or fictitious names
- 21 Identification of clients and other persons
- 21A Understanding the business relationship
- 21B Additional due diligence measures
- 21C On-going due diligence

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Customer Due Diligence

- 21D Doubts about previously obtained information
- 21E Inability to conduct customer due diligence
- 21F Foreign prominent public official
- 21G Domestic prominent influential person
- 21H Family members and known close associates

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S 42 - RMCP

- develop
 - document
 - maintain
 - implement
- ... a Risk Management and Compliance Programme for anti-money laundering and counter-terrorist financing.

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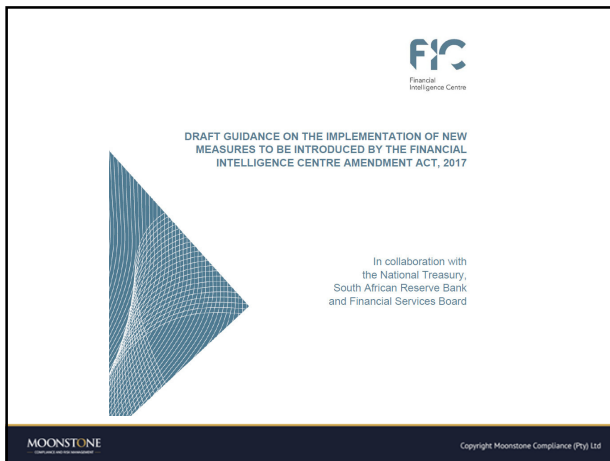
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S 42 - RMCP

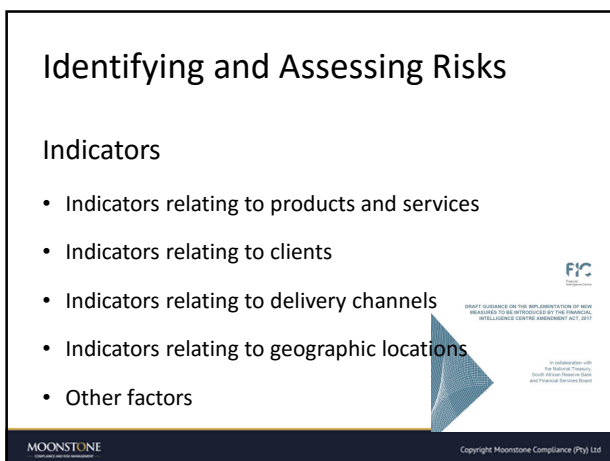
- identify
 - assess
 - monitor
 - mitigate
 - manage
- ... the risk that the provision by the accountable institution of products or services may involve or facilitate money laundering activities or the financing of terrorist and related activities

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S 42 - RMCP

"The mechanisms used in a particular accountable institution to assess ML/TF risk must be proportionate to the size and complexity of the institution."

(Draft Guidance June 2017. . . paragraph 29)

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S 42 - RMCP

"Different industries or sectors have different exposures to ML/TF risk. The Centre will, in the future and as the need arises, consider specific guidance to address industry or sector specific challenges when implementing the risk-based approach."

(Draft Guidance August 2017. . . paragraph 33)

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S 42 RMCP –Requirements

- Anonymous Clients (s20A)
- Identifying Clients (s21)
- Nature of the Relationship with the Client (s21A)
- Additional Due Diligence (s 21B)

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S 42 RMCP – Requirements

- On-Going Due Diligence (s 21C)
- Complex and Unusual Transactions
- Dubious Veracity of Information (s21D)
- Dealing with Suspicious Transactions
- Inability to conduct CDD (s21E)

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S 42 RMCP – Requirements

- Prominent Persons (s 21F & 21G)
- High Risk Business Relationships – enhanced CDD
- Simplified CDD
- Record Keeping Procedures
- Reporting Procedures

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RMCP – Implementation

- Programme Approval
- Programme Review
- Employee Involvement and Training (s 43)
- Governance
 - legal persons
 - other

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Record Keeping

- S 22 - CDD Records
- S 22A - Transaction Records
- S 23 - Period for which records must be kept

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RMCP – Implementation

- Full compliance at agreed milestones and agreed regular intervals
- Sanctioning non-compliance will be delayed to allow sufficient time to accountable institutions to make the necessary adjustments

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Penalties and Sanctions

Penalties (s 68)

1. A person convicted of an offence mentioned in this Chapter, other than an offence mentioned in subsection (2), is liable to imprisonment for a period not exceeding 15 years or to a fine not exceeding R100 million.
2. A person convicted of an offence mentioned in section 55, 62A, 62B, 62C or 62D, is liable to imprisonment for a period not exceeding five years or to a fine not exceeding R10 million.

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Penalties and Sanctions

Administrative Sanctions (S 45C)

- Caution
- Reprimand
- Directive
- Restriction or Suspension of activities
- Financial penalty not exceeding R10 million in respect of natural persons and R50 million in respect of any legal person.

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Penalties and Sanctions

Administrative Sanctions (S 45C)

- Failure to identify persons
- Failure to comply with duty in regard to customer due diligence
- Failure to keep records
- Failure to report cash transactions (also an offence)
- Failure to comply with duty in respect of RMCP
- Failure to register with Centre
- Failure to comply with duty in regard to governance
- Failure to provide training

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A New Approach


Combatting Money Laundering & Terrorist Financing

A key contributing element to the implementation of a risk-based approach is the level of understanding of money laundering and terrorist financing risks at a country level.



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DEPARTMENT: HOME AFFAIRS
REPUBLIC OF SOUTH AFRICA

APPLICATION FOR VISA OR TRANSIT VISA
[Section 7 (1) (a) read with sections 10A and 10B; Regulation 8 (1)]

BI-04

Failure to complete this application form in full may result in the visa being delayed or refused.
Please use block letters and black ink only.


PERSONAL PARTICULARS	
Surname	ALZAROOY
First names (in full)	AMIN JAFFAR ABDULLA
Maiden name	
Previous surname(s)	
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In an apparent fire sale of South African assets, the Guptas first saddled up Mzwanele Manyi with their media interests; now they are pawning off their coal mines to a hitherto unknown Swiss vehicle. The Guptas have sold their coal assets in Tegeta Exploration and Resources to a Swiss shell company "owned" by a man who, the #GuptaLeaks show, has hidden their interests before. Is he fronting for someone once again, or is he a bona fide commodities mogul with R2.97-billion to burn and a bullish view on South African mines? By AMABHUNGANE and SCORPIO.

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Questions?



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