

A rallying call against financial malfeasance

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Financial misdeeds, including money laundering, terrorist financing, or proliferation financing, have a crippling effect on nations. They gnaw at the very core of economic integrity and propagate distrust among citizens. It's a vicious cycle that South Africa is not immune to.

The evolution of the Financial Intelligence Centre (FIC) and the creation of its new forensic unit will go a long way to help combat the problem. The financial landscape has long been exploited by criminal elements, leveraging blind spots in our systems. This is precisely why the proactive step of integrating high-value goods dealers under the aegis of the Financial Intelligence Centre Act (FIC Act) is not just timely, but strategic. This important topic was ventilated during a webinar entitled FIC Obligations: Past and Present.

Some of the key points that emerged from their discussions were:

- The revamped FIC Act says there's an imperative to perform thorough due diligence to stay alert for dubious transactions and ensure these are promptly reported.
- Ignoring these mandates comes with severe repercussions. Beyond the prospect of fines or potential imprisonment, the larger peril is the destabilisation of our entire financial ecosystem.
- The ramifications stretch beyond our borders, affecting international partnerships, and denting the confidence of South Africans.
- The panel members concurred that known preferences of local criminals should inform and sharpen our countermeasures.
- The panel also discussed the need for a dual approach of regulation and guidance and the introduction of user-friendly tools, such as the goAML platform, aimed at streamlining the compliance journey.
- Comprehensive guidance notes, a proactive communication channel for public compliance, and dedicated helplines are of further assistance.
- The fight against financial crime is not just about putting out fires; it's about prevention, foresight and an understanding of vulnerabilities and risks across all echelons – national, sectoral, and business-specific.
- It's also instilling a pervasive culture where compliance is pursued, not out of apprehension of punitive measures, but from an intrinsic belief in doing right by our nation.

The main points that emerged in terms of action include:



- Immediate registration for high-value dealers with the FIC is non-negotiable.
- Beyond mere compliance, there's a moral duty to uphold national interests.
- The panel spoke about pooling resources, sharing intelligence, and devising a cohesive strategy to identify, report, and neutralise financial threats.
- Attendees of the webinar were cautioned to stay informed and alert; comprehend the financial channels they engage with and proactively report any anomalies.
- Panel members said it was time to elevate aspirations and move beyond merely evading the grey list, the country should set its sights on establishing itself as a gold standard in financial transparency and integrity on the global stage.
- The onus of combating financial crime doesn't lie with a select few; it's a collective responsibility.

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